Regular Meeting of the Valley Clean Energy Alliance
Board of Directors
Thursday, September 10, 2026 at 5:30 p.m.
City of Woodland Council Chambers
300 First Street, Woodland, California 95695

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 VCE 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; times listed are estimates. 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:

<u>**Join meeting via Zoom:**</u>

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/88568432285
   Meeting ID: 885 6843 2285

b. **By phone:**
   <u>One tap mobile:</u>
   +1-669-444-9171,,88568432285 US
   +1-669-900-9128,,88568432285 US

Or Dial:
+1-669-444-9171 US
+1-669-900-9128 US
Meeting ID: 885 6843 2285

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

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, Approval of 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 (≈ 5 minutes)

3. **Approve July 9, 2026 Board meeting Minutes.**
4. **Receive 2026 long range calendar.**
5. **Receive Treasurer's Report June 30, 2026.**
6. **Receive legislative update provided by Pacific Policy Group.**
7. **Receive August 2026 regulatory update dated September 2, 2026 provided by Keyes & Fox.**
8. **Receive Community Advisory Committee August 27, 2026 meeting summary.**
9. **Receive Board Workshop information.**
10. **Receive and approve Artificial Intelligence (AI) Usage IT Policy. (Action)**
11. **Receive and approve updated Collections Policy. (Action)**
12. **Ratify Amendment One (1) to First Principles Advisory Agreement extending term. (Action)**
13. **Designation of alternate to California Community Power Board. (Action)**
14. **Authorize staff to proceed with discussions and due diligence regarding Gibson Solar and Battery Storage Project acquisition. (Action)**

REGULAR AGENDA

15. **California Community Power (CC Power) update. (Information) (≈ 15 minutes)**

16. **Accept and attest the accuracy of Valley Clean Energy's 2025 Power Content Label. (Action) (≈ 15 minutes)**
17. **Receive update on Residential Dynamic Pricing Pilot Program (HFP) and Vehicle-Grid Integration (VGI) Pilot Program. (Information) (≈ 15 minutes)**
18. **Board Member and Staff Announcements:** Action items and reports from members of the Board, including announcements, AB 1234 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.
19. **Adjournment/Announcement:** The Board's next regular meeting has been scheduled for Thursday, October 8, 2026 at the City of Davis Community Chambers located at 23 Russell Boulevard, Davis, California 95616.
20. **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 July 9, 2026 Board meeting Minutes
DATE:	September 10, 2026

RECOMMENDATION

Receive, review and approve the attached July 9, 2026 meeting Minutes.

Attachment: July 9, 2026 Board meeting Minutes

MINUTES OF THE VALLEY CLEAN ENERGY ALLIANCE
BOARD OF DIRECTORS REGULAR MEETING
THURSDAY, JULY 9, 2026

The Board of Directors of the Valley Clean Energy Alliance duly noticed their regular meeting for Thursday, July 9, 2026 at 5:30 p.m. to be held at City of Woodland Council Chambers located at 300 First Street, Woodland, California 95695. Board Chair Jesse Loren established that there was a quorum present and began the meeting at 5:34 p.m.

Board Members Present:	Jesse Loren (Chair), Tania Garcia-Cadena (Vice Chair), Lucas Frerichs, Donna Neville, Shiela Allen, Richard Casavecchia (arrived at 5:47 p.m.)
Members Absent:	Bapu Vaitla, Tom Stallard

Item 1: Welcome and Approval of the Agenda	Chair Loren welcomed everyone. Vice Chair Garcia-Cadena made a motion to approve the July 9, 2026 Agenda, seconded by Director Frerichs. Motion passed with Directors Vaitla, Stallard and Casavecchia absent.
Item 2. Public Comment – General and Consent Items	There were no written or verbal public comments on items not listed on the agenda and there were no written public comments on items listed on the consent agenda. Verbal public comment on Item 11 [Indian Valley Power Purchase Agreement (PPA)]: Public comment was made by Christine Shewmaker: She expressed that she was happy to see that the Indian Valley PPA was before the Board for approval and that she supports the 15 year Agreement, since this local resource provides diversity for VCE. She suggests that VCE tout our local energy projects and she would like VCE to consider emphasizing that VCE's UltraGreen has all local resources, which may encourage Customers to participate in UltraGreen electricity services.
Items 3-11. Approval of the Agenda and Consent Agenda Items / Resolution 2026-013	Motion made by Vice Chair Garcia-Cadena to approve the Consent agenda items, seconded by Director Frerichs. Motion passed with Directors Vaitla, Stallard and Casavecchia absent. The following items were: 3. Approved June 11, 2026 Board meeting Minutes; 4. Received 2026 long range calendar;

5. Received Treasurer's Report May 31, 2026;
6. Received legislative update provided by Pacific Policy Group;
7. Received June 2026 regulatory update dated July 1, 2026 provided by Keyes & Fox;
8. Received Community Advisory Committee June 25, 2026 meeting summary;
9. Received Customer Participation update (2nd Quarter 2026);
10. Ratified VCE's position on AB 2383 (Large Load Rate Setting Authority) from Oppose Unless Amended to Neutral. (Action); and
11. Approved Indian Valley Long Term Power Purchase Agreement (PPA) as Resolution 2026-013.

Item 12. Approve VCE's 2026 Integrated Resource Plan (IRP) to be submitted to the California Public Utilities Commission (CPUC) by August 10, 2026. (Action) Receive Summer Preparedness outlook. (Information) / Resolution 2026-014

VCE Chief Executive Director Mitch Sears introduced this item. VCE Staff Chad Curran provided an overview and process of updating the Integrated Resource Plan (IRP). He emphasized that updating the IRP is a valuable tool in informing the California Public Utilities Commission (CPUC) of VCE's planning and procurement. Mr. Curran informed those present that the draft IRP portfolio meets regulatory requirements, including RPS GHG reduction targets; and, that the portfolio positions VCE to meet customer load and regulatory requirements for the near future.

(Richard Casavecchia arrived at 5:47 p.m.)

Mr. Curran noted that the draft IRP portfolio models additional procurement as load, contracts and GHG reduction targets increase, and that the portfolio meets state RPS targets. Mr. Sears emphasized that updating the IRP is a "planning exercise", not an outline of what power VCE will be purchasing. The Board and Staff briefly discussed small hydro. There were no verbal or written public comments.

Motion made by Vice Chair Garcia-Cadena to adopt a resolution establishing the following:

1. Approving the 2026 Integrated Resource Plan (IRP) and the Preferred Conforming Portfolio and Action Plan included therein, for submission to the California Public Utilities Commission (CPUC).
2. Authorizing staff to make any non-substantial changes necessary to finalize the IRP as well as supplemental documents and work products to be submitted to the CPUC by August 10, 2026.

Motion seconded by Director Allen. Motion passed as Resolution 2026-014 by the following vote:

AYES: Garcia-Cadena, Frerichs, Neville, Allen, Casavecchia, Loren
NOES: None
ABSENT: Vaitla, Stallard
ABSTAIN: None

Item 13. Board Member and Staff Announcements

There were no announcements from the Board members.

Mr. Sears informed those present that VCE was not awarded the Microgrid Incentive Program (MIP) grant which provides funds to support the development of microgrids to increase resiliency. Staff has a follow up meeting with PG&E to receive feedback on VCE's application. VCE distributed Energy Advisor program public outreach inserts in VCE's jurisdictional water bills. VCE received notification that a few customers who had previously opted out, contacted Customer Service to opt back in after receiving the information. VCE was invited to participate in a small pilot program by a Japanese government research firm. He attended the Ag Roundtable Event, where he made a few connections about water and electricity.

He informed those present that VCE Staff Rebecca Kuczynski attended in a June the Woodland State of the City luncheon. VCE updates to the County and City Boards are being scheduled. VCE Staff Daniel Alvarez is attending the Capay Valley Chamber of Commerce Business Expo representing VCE. Ms. Kuczynski is attend an Office of Emergency Services practice exercise in mid-July where an electricity emergency is being modeled. Mr. Sears informed those present that VCE is doing our own audit/analysis based on the Grand Jury Report that came out regarding MCE.

VCE was able to facilitate a month long contract for the Yolo County landfill to bridge the existing contract with the upcoming contract. This bridge contract prevented the landfill from flaring methane gas. Mr. Sears attended the Tumbleweed (CC Power PPA) ribbon cutting event in Kern County. This project is the first in the U.S. that has 8 hours of battery storage capability in a grid situation.

Item 14. Announcement / Adjournment	Chair Loren announced that the Board's ***regular August 13, 2026 meeting has been cancelled.*** The Board's next regular meeting has been scheduled for Thursday, September 10, 2026 at the City of Woodland Council Chambers located at 300 First Street, Woodland, California 95695. There being no further regular business to discuss, the regular meeting was convened at 6:05 p.m. into Closed Session.

CLOSED SESSION

Item 16. Public Comment on Closed Session Items	At 6:05 p.m., Chair Loren announced that the Board will be going into Closed Session and asked if there were any public comment on the Closed Session item. There being no verbal or written public comment, Director Loren announced that it is anticipated that no reportable action will be taken in Closed Session.
Item 17. CLOSED SESSION: Public Employee Performance Evaluation [Government Codes Sections 54957 & 54957(b)] / Reconvene in Open Session to Report from Closed Session.	The Board convened into Closed Session at 6:15 p.m. and adjourned their Closed Session at 6:45 p.m. Chair Loren reconvened into open session to report from Closed Session at 6:46 p.m. and stated that there was nothing to report out. The regular meeting was adjourned at 6:47 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 2026 Long-Range Calendar

DATE: September 10, 2026

Recommendation

Receive and file the 2026 Board and Community Advisory Committee (CAC) long-range calendar listing proposed meeting topics. Please note that meeting locations and topics may change.

Attachment: 2026 Board and CAC long range calendar

VALLEY CLEAN ENERGY

2026 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 8, 2026~~ CANCELLED	**Board (Woodland)**	• ~~Oaths of Office for Board Members (Annual - new Members only) (R) (placeholder)~~ • ~~Election of Officers for 2026 (Annual) (R) (placeholder)~~ • ~~Customer Participation Update (4th Quarter 2025) (O) (placeholder)~~ • ~~2025 Year-end review (R) (placeholder)~~ • ~~VCE Employee Handbook Update (R) (placeholder)~~ • ~~Annual Strategic Plan Report (R) (placeholder)~~	• ~~Action~~ • ~~Nominations~~ • ~~Information~~ • ~~Information~~ • ~~Action~~ • ~~Information~~
January 22, 2026	**Advisory Committee (Woodland)**	• Rates/Budget 2026 Update (O) • Customer Participation Update (4th Quarter 2025) (O) • Review and approve **2026** draft CAC Task Group(s) "Charges" (R) • Power Portfolio update (R) • 2025 Year in review: Customer Care & Marketing (R)	• Information • Information • Discussion/Action • Information • Information
February 12, 2026	**Board (Davis)**	• 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-end review (O) • VCE Employee Handbook update (R) • Annual Strategic Plan Report (R) • Receive CAC 2025 Year-end Task Group Reports (O)	• Action • Nominations • Information • Information • Action • Information • Information
~~February 26, 2026~~ Cancelled	**Advisory Committee (Davis)**	• This meeting has been cancelled.	•
~~March 12, 2026~~ Cancelled.	**Board (Woodland)**	• This meeting has been cancelled.	•

March 26, 2026	**Advisory Committee (Woodland)**	• Integrated Resource Plan (IRP) Update (O) • Local Energy Task Group Update (O) • Update on CalCCA sponsored legislative bills (O)	• Information • Information • Information
April 9, 2026	**Board (Davis)**	• Receive Enterprise Risk Management Report (Bi-Annual) (R) • Customer Participation update (1st Quarter 2026) (O) • Receive Treasury and Financial update; ratify Investment Policy; and extend RCB Credit Agreement (R/O) • Update Exhibits C & D of VCE's JPA (R) • Update VCE's Conflict of Interest Code (R) • Brown Act compliance (R) • Ratify VCE's position on legislative bills	• Information • Information • Action • • Action • Action • Action • Action
~~April 23, 2026~~ Cancelled.	**Advisory Committee (Davis)**	• This meeting has been cancelled.	•
May 12-14, 2026	**CalCCA Annual Conference (Sacramento)**	VCE Staff and some Board and CAC members attending	
~~May 14, 2026~~ Cancelled, may be rescheduled.	**Board (Woodland)**	• * No meeting due to CalCCA Annual Conference. A special meeting may be scheduled if an urgent matter needs to be addressed.	•
May 28, 2026	**Advisory Committee (Woodland)**	• 2025 Net Margin Allocation (R) • Customer Participation update (1st Quarter 2026) (O) • Seek feedback on updates to Integrated Resource Plan (O) • Receive update on three (3) legislative bills. (O) • Recap of CalCCA May 2026 Annual Conference (O)	• Discussion/Action • Information • Discussion/Action • Information • Information
June 11, 2026	**Board (Davis)**	• Re/Appointment of Members to Community Advisory Committee (Annual) (R) • Calendar Year 2025 Audited Financial Statements (James Marta & Co.) (placeholder) (R) • Mid-Year 2026 Financial Update (R) • 2025 Net Margin Allocation (R) • CC Power Amendment to Fish Lake Geothermal PPA • Summer Preparedness outlook (O) • Receive annual Load Management Standards (LMS) update (O) • Recap of CalCCA May 2026 Annual Conference (O)	• Action • Action • Information • Discussion/Action • Action • Information • Information • Information

*No meeting unless an urgent matter needs to be addressed

June 25, 2026	**Advisory Committee (Davis)**	• Receive Summer Preparedness outlook (O) • Receive annual Load Management Standards (LMS) update (O) • Seek recommendation to Board on updated Integrated Resource Plan (IRP) (O)	• Information • Information • Discussion/Action
July 9, 2026	**Board (Woodland)**	• Customer Participation update (2nd Quarter 2026) (O) • Approve Integrated Resource Plan (IRP) updates (R) • Indian Valley Long Term PPA (placeholder) (O)	• Information • Discussion/Action • Action
~~July 23, 2026~~ *Cancelled*	**Advisory Committee (Woodland)**	• Cancelled.	
~~August 13, 2026~~ *Cancelled*	**Board (Davis)**	• Cancelled. A Special meeting may be scheduled if needed.	
August 27, 2026	**Advisory Committee ~~(Davis)~~ Yolo County Dept. of Community Services, Cache Creek Room, Woodland**	• Customer Participation Update (2nd Quarter 2026) (O) • Receive updated Integrated Resource Plan (IRP) (O) • Focus Group Engagement • Draft Power Project Selection Criteria Guidelines • Receive Distributed Energy Resource Management System (DERMS) Intern Update	• Information • Information • Information • Discussion/Action • Information
September 10, 2026	**Board (Woodland)**	• Certification of 2025 Power Content Label (Annual) (R) • Residential Dynamic Pricing Pilot Program (HFP) and Vehicle-Grid Integration (VGI) Pilot Program update (placeholder) (O) • Approve AI Usage IT Policy • Approve updated Collections Policy • Approve Power Project Selection Criteria Guidelines • Ratify Amendment 1 to First Principles Advisory Agreement • Designate Alternate to California Community Power (CC Power) Board • Gibson Solar	• Action • Information • Action • Action • Discussion/Action • Action • Action • Action
September 24, 2026	**Advisory Committee (Woodland)**	• Power Portfolio Update (O) • Residential Dynamic Pricing Pilot Program (HFP) and Vehicle-Grid Integration (VGI) Pilot Program update (placeholder) • Programs / 3 Year Programs Plan update (placeholder) (O)	• Information • Information • Discussion/Action
October 8, 2026	**Board (Davis)**	• Enterprise Risk Management Update (Annual) (R) • Customer Participation Update (3rd Quarter 2026) (O) • Legislative End of Session Update (O)	• Discussion/Action • Information • Information

*No meeting unless an urgent matter needs to be addressed

		• Programs / 3 Year Programs Plan update (placeholder) (O) • Electric Vehicle (Charge Your Ride) Rebate Program (O) (placeholder) • Draft Power Project Selection Criteria Guidelines (placeholder) • Procurement Policy (placeholder)	• Discussion/Action • Discussion/Action • Discussion/Action • Discussion/Action
October 22, 2026	**Advisory Committee (Davis)**	• 2025 Power Content Label Outreach (O) • Customer Participation Update (3rd Quarter 2026) (O) • Legislative End of Session Update (O) • 2027 Legislative & Regulatory Platform	• Information • Information • Information • Discussion/Action
November 12, 2026	**Board (Woodland)**	• 2027 Preliminary Operating Budget (R) • Contract Renewals (R) (placeholder) • Approve 2027 Legislative and Regulatory Platform • CC Power – Willow Rock PPA (placeholder) (O) • Electric Vehicle (Charge Your Ride) Rebate Program (O) (placeholder)	• Information/Discussion • Discussion/Action • Discussion/Action • Discussion/Action • Discussion/Action
~~November 26, 2026~~ **November 19, 2026** **(rescheduled to November 19 due to Thanksgiving holiday on Nov. 26th)**	**Advisory Committee (~~Woodland~~) (Davis)**	• Review CAC Draft 2026 Task Group Year-end Reports (R) • GHG Free Attributes (R) (placeholder)	• Discussion/Action • Discussion/Action
December 10, 2026	**Board (Davis)**	• Approve 2027 Operating Budget (Annual) and 2027 Customer Rates (R) • Receive VCE Grant/Program Annual Report (R) • GHG Free Attributes (R) (placeholder) • Contract Renewals (R) (placeholder) • CC Power – Willow Rock PPA (placeholder) (O)	• Discussion/Action • Information • Discussion/Action • Action • Discussion/Action
~~December 24, 2026~~ **December 17, 2026** **(rescheduled to December 17 due to Christmas Eve on Dec. 24th)**	**Advisory Committee (Davis)**	• Approve 2026 Task Group Year-end Reports (R) • Power Portfolio Update (R) • Election of Officers for 2027 (Annual) (R)	• Discussion/Action • Information • Nominations
January 14, 2027	**Board (Woodland)**	• Oaths of Office for Board Members (Annual - new Members only) (R) • Election of Officers for 2027 (Annual) (R) • Customer Participation Update (4th Quarter 2026) (O) • 2026 Year in review: Customer Care & Marketing (R)	• Action • Nominations • Information • Information

*No meeting unless an urgent matter needs to be addressed

		• Receive 2026 Task Group Year-end Reports (R) • VCE Employee Handbook Update (R) • Annual Strategic Plan Report (R)	• Information • Action • Information
January 28, 2027	**Advisory Committee (Woodland)**	• Rates/Budget 2027 Update (O) • Customer Participation Update (4th Quarter 2026) (O) • Approve 2027 CAC Task Group(s) "Charges" (R)	• Information • Information • Discuss/Action

PLEASE NOTE: May 12-14*, 2026: CalCCA Annual Conference in Sacramento, 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

TO: Board of Directors

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

SUBJECT: Monthly Treasurer's Report (Informational Item) – June 30, 2026

DATE: September 10, 2026

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 June 30, 2026.

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 June 30, 2026.

Financial Statements for the period June 1, 2026 – June 30, 2026
In the Statement of Net Position, VCE, as of June 30, 2026, has a total of $80,332,123 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 June 30, 2026, VCE's net position was $91,645,092.

In the Statement of Revenues, Expenditures, and Changes in Net Position, VCE recorded $4,929,222 of revenue (net of allowance for doubtful accounts), of which $4,270,736 was billed in, and $2,379,101 represents estimated unbilled revenue. The cost of electricity for the June revenue totaled $3,549,149 For June, VCE's gross margin was approximately 30% and the net income totaled $1,065,841. The year-to-date change in net position was ($3,118,914.

In the Statement of Cash Flows, VCE cash flows from operations were ($453,606) due to June cash receipts of revenues being more than the monthly cash operating expenses.

Bank Account Balances (as of 06/30/2026):

Operating Account	$41,766,028
Insured Cash Sweep Account	$39,701,950
Debt Service Account	$1,100,000
CAISO Operational Account	$7,917,580
Total Cash on Deposit	$90,485,559

Note: VCE receives 5.72% 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. June 2026 earnings were $156,068.

VCE's Outstanding Loan Balances (as of 06/30/2026):
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, 2027. The related debt outstanding at the close of business on October 31, 2026 was $0. VCE has issued, but undrawn, letters of credit for a total of $266,989 for regulatory.

Actual vs. Budget Variances for the year to date ending June 30, 2026
Below are the financial statement line items with variances >$50,000 and 5%

- Electric Revenue – $440,940 and 8% – Favorable variance mainly driven by favorable PG&E PCIA rate adjustments than forecasted, resulting from final actual results for PG&E included in the December true-up process and lower load than forecasted by residential and agriculture customers due to mild winter and summer temperatures.
- Purchased Power – $2,616,887 and 5% – Favorable mainly due to lower power costs resulting in less PPA cost recoveries, increased curtailment energy, and lower load than forecasted by residential and agriculture customers due to mild winter and summer temperatures.
- Salaries & Wages – 137,769 and 13% favorable, driven by a vacancy in the Budgeted Policy Analyst role currently in recruitment and underfilled positions.
- CC Power $108,000 and 100% Favorable due to the timing difference between amortization of budgeted expenses and actual expenses.
- Other Contracting Services $54,730 and 72% Favorable due to the timing difference between amortization of budgeted expenses and actual expenses due to delayed regulatory proceedings.
- Programs $645,104 – 92% Favorable Variance due to timing differences from the anticipated EV phase II program being deferred to Q426.
- Marketing Plan / Focus Groups $75,000 – 100% Favorable Variance due to being deferred to Q426.

Attachments:
1) Financial Statements (Unaudited) June 1, 2026 to June 30, 2026 (with comparative year to date information.)
2) Actual vs. Budget for the year to date ending June 30, 2026

VALLEY CLEAN ENERGY ALLIANCE

FINANCIAL STATEMENTS

(UNAUDITED)

FOR THE PERIOD OF JUNE 1 TO JUNE 30, 2026

PREPARED ON AUGUST 21, 2026

VALLEY CLEAN ENERGY ALLIANCE
STATEMENT OF NET POSITION
JUNE 30, 2026
(UNAUDITED)

ASSETS		
Current assets:		
Cash and cash equivalents	$	80,332,123
Accounts receivable, net of allowance		6,612,975
Accrued revenue		2,379,101
Prepaid expenses		175,429
Inventory - Renewable Energy Credits		-
Other current assets and deposits		9,724,463
Total current assets		99,224,090
Restricted assets:		
Debt service reserve fund		1,100,000
Total restricted assets		1,100,000
TOTAL ASSETS	$	100,324,090
LIABILITIES		
Current liabilities:		
Accounts payable		272,331
Accrued payroll		71,330
Interest payable		-
Due to member agencies		-
Accrued cost of electricity		4,198,199
Other accrued liabilities		2,289,528
Security deposits - energy supplies		1,800,000
User taxes and energy surcharges		47,610
TOTAL LIABILITIES	$	8,678,999
NET POSITION		
Net position:		
Designated Funds	$	18,849,585
Local Programs Reserve		2,709,585
Rate Stabilization		12,284,000
Customer Difidends		3,856,000
Restricted		1,100,000
Unrestricted		71,695,507
TOTAL NET POSITION	$	91,645,092

VALLEY CLEAN ENERGY ALLIANCE
STATEMENT OF REVENUES, EXPENDITURES AND
JUNE 30, 2026
(WITH COMPARATIVE YEAR TO DATE INFORMATION)
(UNAUDITED)

	FOR THE PERIOD ENDING JUNE 30, 2026	YEAR TO DATE
OPERATING REVENUE		
Electricity sales, net	$ 4,929,222	$ 19,430,940
Other revenue	0	31,375
TOTAL OPERATING REVENUES	4,929,222	19,462,315
OPERATING EXPENSES		
Cost of electricity	3,579,149	21,366,879
Contract services	235,027	1,251,459
Staff compensation	150,662	920,591
General, administration, and other	47,080	486,534
TOTAL OPERATING EXPENSES	4,011,918	24,025,463
TOTAL OPERATING INCOME (LOSS)	917,304	(4,563,148)
NONOPERATING REVENUES (EXPENSES)		
Interest income	148,537	917,467
Interest and related expenses	-	-
Other Non Operating Revenues	-	-
TOTAL NONOPERATING REVENUES (EXPENSES)	148,537	917,467
CHANGE IN NET POSITION	1,065,841	(3,645,681)
Net position at beginning of period	90,579,251	95,290,772
Net position at end of period	$ 91,645,092	$ 91,645,092

VALLEY CLEAN ENERGY ALLIANCE
STATEMENTS OF CASH FLOWS
JUNE 30, 2026
(WITH YEAR TO DATE INFORMATION)
(UNAUDITED)

	FOR THE PERIOD ENDING JUNE 30, 2026	YEAR TO DATE
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from electricity sales	$ 2,958,926	$ 24,663,117
Public purpose program receipts	-	-
Payments received from other revenue sources	0	31,375
Receipts for security deposits with energy suppliers	-	-
Payments to purchase electricity	(2,999,298)	(21,220,547)
Payments for contract services, general, and adminstration	(269,148)	(1,723,913)
Payments for member agency services	-	-
Payments for staff compensation	(144,086)	(970,105)
Tax and surcharge payments to other governments	-	-
Other cash payments	-	-
Net cash provided (used) by operating activities	(453,606)	779,928
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	148,537	917,467
Net cash provided (used) by investing activities	148,537	917,467
NET CHANGE IN CASH AND CASH EQUIVALENTS	(305,069)	1,697,395
Cash and cash equivalents at beginning of period	81,737,192	79,734,728
Cash and cash equivalents at end of period	81,432,123	81,432,123
Cash and cash equivalents included in:		
Cash and cash equivalents	80,332,123	80,332,123
Restricted assets	1,100,000	1,100,000
Cash and cash equivalents at end of period	$ 81,432,123	$ 81,432,123

VALLEY CLEAN ENERGY ALLIANCE
STATEMENTS OF CASH FLOWS
JUNE 30, 2026
(WITH YEAR TO DATE INFORMATION)
(UNAUDITED)

		FOR THE PERIOD ENDING JUNE 30, 2026		YEAR TO DATE
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating Income (Loss)	$	917,304	$	(4,563,148)
Adjustments to reconcile operating income to net cash provided				
Depreciation expense				
Increase (decrease) for uncollectible accounts		42,500		209,800
(Increase) decrease in net accounts receivable		(1,318,140)		3,636,379
(Increase) decrease in accrued revenue		(714,003)		1,384,577
(Increase) decrease in prepaid expenses		18,735		18,604
(Increase) decrease in inventory - renewable energy credits		-		-
(Increase) decrease in other assets and deposits		-		-
Increase (decrease) in accounts payable		7,548		(20,206)
Increase (decrease) in accrued payroll		6,577		(49,514)
Increase (decrease) in due to member agencies		-		-
Increase (decrease) in accrued cost of electricity		566,526		162,014
Increase (decrease) in other accrued liabilities		-		-
Increase (decrease) security deposits with energy suppliers		-		-
Increase (decrease) in user taxes and energy surcharges		19,348		1,421
Increase (decrease) in security deposits from energy suppliers		-		-
Increase (decrease) in user taxes due to other governments		-		-
Increase (decrease) in advances from public purpose programs		-		-
Net cash provided (used) by operating activities	$	(453,606)	$	779,928

VALLEY CLEAN ENERGY
2026 YTD ACTUAL VS. BUDGET
FOR THE YEAR TO DATE ENDING 06/30/2026

Description	YTD Actuals	YTD Budget	YTD Variance	% over /-under
Total Revenues	$ 20,379,783	$ 19,662,000	$ 717,783	4%
Electric Revenue	$ 19,430,941	$ 18,990,000	$ 440,941	2%
Interest Revenues	$ 917,466	$ 660,000	$ 257,466	39%
Reimbursable Revenues	$ 31,375	$ 12,000	$ 19,375	161%
Purchased Power	$ 20,840,113	$ 23,457,000	$ (2,616,887)	-11%
Purchased Power Base	$ 20,840,113	$ 22,297,000	$ (1,456,887)	-7%
Purchased Power Contingency 5%	$ -	$ 1,160,000	$ (1,160,000)	-100%
Labor & Benefits	$ 936,237	$ 1,074,000	$ (137,763)	-13%
Salaries & Wages/Benefits	$ 758,329	$ 870,000	$ (111,671)	-13%
Contract Labor	$ 100,660	$ 108,000	$ (7,340)	-7%
Human Resources & Payroll	$ 77,248	$ 96,000	$ (18,752)	-20%
Office Supplies & Other Expenses	$ 196,141	$ 263,500	$ (67,359)	-26%
Technology Costs	$ 63,130	$ 25,000	$ 38,130	153%
Office Supplies	$ 12,321	$ 6,000	$ 6,321	105%
Travel	$ 14,026	$ 22,500	$ (8,474)	-38%
CalCCA Dues	$ 105,000	$ 96,000	$ 9,000	9%
CC Power	$ -	$ 108,000	$ (108,000)	-100%
Memberships	$ 1,665	$ 6,000	$ (4,336)	-72%
Contractual Services	$ 1,178,187	$ 1,393,900	$ (215,713)	-15%
Other Contract Services (e.g. IRP)	$ 20,880	$ 75,000	$ (54,120)	-72%
Don Dame	$ 2,794	$ 18,000	$ (15,206)	-84%
Wholesale Energy Services (TEA)	$ 393,554	$ 432,000	$ (38,446)	-9%
2030 100% Renewable & Storage	$ -	$ 15,000	$ (15,000)	-100%
Customer Support Call Center	$ 483,981	$ 483,000	$ 981	0%
Operating Services	$ 460	$ 60,000	$ (59,540)	-99%
Commercial Legal Support	$ 61,653	$ 15,000	$ 46,653	311%
Legal General Counsel	$ 34,051	$ 39,000	$ (4,949)	-13%
Regulatory Counsel	$ 108,213	$ 102,000	$ 6,213	6%
Joint CCA Regulatory counsel	$ -	$ 9,600	$ (9,600)	-100%
Legislative - (Lobbyist)	$ 33,000	$ 34,500	$ (1,500)	-4%
Accounting Services	$ -	$ 1,800	$ (1,800)	-100%
Financial Consultant	$ -	$ 9,000	$ (9,000)	-100%
Audit Fees	$ 39,600	$ 55,000	$ (15,400)	-28%
Marketing	$ 152,403	$ 199,000	$ (46,597)	-23%
Marketing Collateral	$ 152,403	$ 160,000	$ (7,597)	-5%
Community Engagement Activities & Sponsorships	$ -	$ 39,000	$ (39,000)	-100%
Programs	$ 53,896	$ 699,000	$ (645,104)	-92%
Program Costs (Rebates, Incentives, etc.)	$ 42,317	$ 480,000	$ (437,683)	-91%
Member Agency Advisory Services	$ -	$ 12,000	$ (12,000)	-100%
AG Fit	$ 11,578	$ 132,000	$ (120,422)	-91%
PIPP Program	$ -	$ 75,000	$ (75,000)	-100%
Rents & Leases	$ 12,600	$ 26,100	$ (13,500)	-52%
Hunt Boyer Mansion	$ 12,600	$ 14,100	$ (1,500)	-11%
Lease Improvement	$ -	$ 12,000	$ (12,000)	-100%
Other A&G	$ 127,017	$ 376,700	$ (249,683)	-66%
Development - New Members	$ -	$ 7,500	$ (7,500)	-100%
Strategic Plan Implementation	$ 11,759	$ 38,400	$ (26,641)	-69%
Strategic Plan Update & Community Focus Group	$ -	$ 75,000	$ (75,000)	-100%
PG&E Data Fees	$ 44,117	$ 150,000	$ (105,883)	-71%
Insurance	$ 34,289	$ 48,000	$ (13,711)	-29%
Banking Fees	$ 36,852	$ 57,800	$ (20,948)	-36%
Miscellaneous Operating Expenses	$ 2,104	$ 6,000	$ (3,896)	-65%
Contingency	$ -	$ 120,000	$ (120,000)	-100%
	0	0		
TOTAL OPERATING EXPENSES	$ 23,498,697	$ 27,615,200	$ (4,116,503)	-15%
Interest on RCB Term loan	$ -	$ -	$ -	100%
NET INCOME	$ (3,118,914)	$ (7,953,200)		

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: September 10, 2026

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 2025-26 legislative session has come to an end on Monday August 31 (mostly), and the conclusion was not short on drama. Governor Newsom made a hard push to reduce Investor-Owned Utilities' (IOUs) liability for the wildfires they start in a proposal that was ultimately, and unexpectedly, rejected by the Legislature. In addition, a last-minute budget-deal required the Legislature to once again return to the floor after the scheduled midnight end of the session, while data center bills passed just before the stroke of midnight.

CalCCA sponsored two bills this session, AB 1761 (Rogers)and SB 1138 (Padilla). Unfortunately, only AB 1761 was able to navigate the entire legislative process and get to the Governor's desk, while SB 1138 was held on the Assembly Appropriations Committee suspense file. AB 1761 (Rogers) seeks to increase PCIA data transparency and SB 1138 proposed to allow for Resource Adequacy to be traded on an hourly basis. Although SB 1138 was ultimately unsuccessful, the bill moved through the Senate and the Assembly Utilities & Energy Committee without a single "no" vote cast against it. Both bills enjoyed broad support from CCAs, cities, and climate organizations. CalCCA ran effective strategic campaigns in pursuing the two pieces of legislation.

Elsewhere on the Legislative front, CalCCA and VCE engaged on bills regarding data centers and contracts or tariffs for generation and distribution. In the end the authors of two main bills coordinated efforts that resulted in a set of bills to address data centers. VCE initially opposed AB 2383 (Zbur) unless it was amended and after the requested amendments were accepted, removed its opposition and took a neutral position. AB 2383 proposes new tariff rules for IOUs and CCAs to provide transmission, distribution, and generation services to data centers. SB 886 (Padilla) proposes new tariff rules for retail electric service at the transmission level. AB 2383 bifurcates the provisions for new tariff rules so that CCAs must follow the same criteria as those specified for the IOUs, but through their own regulatory authority, and not by rules established by the CPUC. Importantly, the language of AB 2383 makes clear that the California Public

Utilities Commission is not authorized to regulate the rates or terms and conditions of service offered by a CCA. Both bills are now in front of the Governor for his signature or veto.

Lastly, the end-of-session drama over IOU liability for the wildfires they are responsible for starting pitted the insurance industry, local governments, trial attorneys, and wildfire victims on one side with the IOUs, labor, and the California Building Industry Association on the other. Rumored for months, the Governor proposed in the final week of the session a bill to eliminate the ability for insurance companies to sue an IOU for wildfire claims (a process known as subrogation), reduce the amount of infrastructure damages and lost property tax revenue that local governments could sue an IOU for, and restrict attorneys' fees. Ultimately, everyone lost. The Legislature rejected the Governor's proposals related to the insurance companies and local governments and subsequently produced SB 492 (Becker & Petri-Norris), a last-minute deal introduced 72 hours before the end of the session. It would have limited attorneys' fees, set up a process to expedite payment to fire victims and tied IOU executive pay to several criteria related to wildfire safety. The bill was cast as a compromise, but Assembly Speaker Robert Rivas decided to not have the bill brought up in front of the Assembly on the final day of session; thus, SB 492 died. It is unclear whether Governor Newsom will call a special session to address wildfires, or punt the issue to the incoming governor to tackle.

The Governor has 30 days to sign or veto legislation that reached his desk. Looking further forward, the Legislature will convene the 2027-28 legislative session on December 7, 2026, at which time new legislators will be sworn in, and some bills will be introduced. The Legislature will then adjourn for winter holidays before resuming session in early January. The new governor will be sworn in on January 4, 2027.

1. AB 1761 (Rogers) PCIA Transparency

Summary: Would require the PUC to ensure that all data serving as a basis for any decision or ruling issued by the commission, or in any proposal or analysis provided by commission staff, for the determination of the Power Charge Indifference Adjustment (PCIA) or any other resource or value included in the PCIA, is made available to load-serving entities and ratepayer advocates on behalf of customers.

Additional Information

- Next Hearing: The bill has passed the Legislature and now awaits action from the Governor.
- VCE has taken a support position.
- CalCCA is the sponsor of AB 1761
- Bill language: AB 1761

2. SB 1138 (Padilla) Resource Adequacy Transactability

Summary: Existing law requires the PUC, in consultation with the Independent System Operator, to establish resource adequacy (RA) requirements for all load-serving entities (LSE). This bill would require the PUC to authorize a LSE to demonstrate compliance with RA requirements by selling to, or otherwise making transactions with, another LSE to meet not more than 25% of its compliance obligations with contracts that are of a short-term duration, and to authorize those transactions to be in the same unit of time.

Additional Information

- Next Hearing: The bill was held in the Assembly Appropriations Committee and is dead.
- VCE has taken a support position.
- CalCCA is the sponsor of SB 1138
- Bill language: SB 1138

3. AB 2383 (Zbur) Electricity: Large Energy Use Facilities.

Summary: This bill would require the PUC, by January 1, 2028, to provide for a classification of retail electricity consumers that are large energy use facilities (primarily data centers) that is separate and distinct from classifications of service for other commercial or industrial retail electricity consumers and has its own tariff.

VCE had an Oppose Unless Amended position since the bill would have authorized the CPUC to establish the criteria that CCAs would be required to adopt in setting rates, service and tariffs for data centers. On June 15, the author amended the bill to bifurcate contract and tariff requirements regarding distribution and transmission service, as issued by the CPUC, from requirements of generation service. In its amended version, AB 2383 no longer put the CPUC in a position of regulating CCAs; the criteria applied to CCAs was separated from the CPUC-driven provisions specific to IOUs.

Additional Information

- Next Hearing: The bill has passed the Legislature and now awaits action from the Governor.
- VCE removed its Oppose Unless Amended position and has taken a Neutral position.
- CalCCA removed its Oppose Unless Amended position and has taken a Neutral position.
- Bill language: AB 2383

4. SB 886 (Padilla) California Technology Innovation and Ratepayer Protection Act.

Summary: This bill, the California Technology Innovation and Ratepayer Protection Act, would require the PUC, on or before July 1, 2027, to establish a rate structure that includes an IOU tariff for the interconnection of the participating customer facilities and the provision of transmission, distribution, and generation services only to data centers that enter into a new interconnection agreement to receive retail electric service at the transmission level.

Additional Information

- Next Hearing: The bill has passed the Legislature and now awaits action from the Governor.
- VCE has yet to take an official position.
- CalCCA has yet to take an official position.
- Bill language: SB 886

5. AB 1787 (Schultz) Dynamic Rate Option.

Summary: This bill would require the PUC to require an IOU, if the CPUC approves the IOU's request to upgrade its smart meter infrastructure relative to infrastructure in place on January 1, 2026, to offer all its customers at least one dynamic rate option no later than one year after the upgraded smart meter infrastructure is anticipated to be placed into service, as specified.

There were some concerns that this bill would create additional challenges to CCAs obtaining data from IOUs, but conversations between CalCCA and the author, as well as recent amendments have assuaged these concerns.

Additional Information

- Next Hearing: The bill was held in the Senate Appropriations Committee and is dead.
- VCE has yet to take an official position.
- CalCCA has yet to take an official position.
- Bill language: AB 1787

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 7

To: Board of Directors

From: Keyes & Fox, Regulatory Consultant

Subject: Regulatory Monitoring Report – Keyes & Fox

Date: September 10, 2026

Please find attached Keyes & Fox's August 2026 Regulatory Memorandum dated September 2, 2026 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 September 2, 2026

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:	September 2, 2026

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.

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: Comments on draft RPS plans were filed on July 13 and reply comments were filed on July 27. VCE's Final Compliance Report for Compliance Period 4 (2021-2024) was filed on August 24.

Analysis: VCE's Final Compliance Report for Compliance Period 4 shows that VCE met its RPS procurement requirement for the Compliance Period and procured additional renewable energy above its RPS target to meet its own internal goals.

Additional Information: VCE's Final Compliance Report for CP4 (Aug. 24, 2026); Final Resolution E-5457 (Jun. 12, 2026); VCE Draft 2026 RPS Procurement Plan (Jun. 12, 2026); Scoping Memo and Ruling (May 9, 2024); OIR (Feb. 1, 2024); Docket No. R.24-01-017.

PCIA/ERRA Reform

Background: This Rulemaking considers updates and reforms to the 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. Track 1 concluded in 2025, Track 2's scope was revised to consider issues related to the valuation of pre-2019 RECs arising from 2026 ERRA forecast proceedings, and Track 3 will address broader issues in Track 3A and Track 3B.

Recent Developments: On August 13, the CPUC issued a Proposed Decision resolving Track 2 issues and setting the value of pre-2019 banked RECs at zero dollars. Oral arguments were held on August 31. A Track 3 Scoping Memo and Ruling was issued on August 18 establishing Track 3A and Track 3B. Track 3 will address broader reforms to the PCIA mechanism, market-price benchmarks, and policy guidance for ratemaking proceedings, with Track 3A focused on refining the existing PCIA structures and Track 3B focused on changes to the structural PCIA framework.

Analysis: A zero-dollar valuation for pre-2019 banked RECs means that CCA customers who departed IOU generation service after 2019 paid for the RECs at the time they were created and will receive no compensation from the remaining IOU bundled customers who will now use them to reduce RPS compliance costs.

Next Steps: The Proposed Decision on pre-2019 banked REC valuation may be heard as soon as the September 17 Commission meeting. Comments on the Proposed Decision are due September 2 and reply comments are due September 8. A staff report or proposal in Track 3A is expected in October, followed by party proposals in late 2026/early 2027, and a Q1 2027 workshop.

Additional Information: Scoping Memo and Ruling (Aug. 18, 2026); Proposed Decision (Aug. 13, 2026); Ruling (Jun. 19, 2026); Ruling on hearing (May 28, 2026); Track 3 Workshop Ruling (May 13, 2026); Ruling (Apr. 24, 2026); Ruling and Staff Report (Mar. 27, 2026); Ruling (Feb. 20, 2026); Amended Scoping Memo (Feb. 3, 2026); Ruling (Dec. 26, 2025); CalCCA Petition for Writ of Review (Dec. 1, 2025); D.25-06-049 (Jun. 27, 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

Background: This proceeding is the successor to R.23-10-011, and it will address the 2027 and 2028 RA compliance years, local RA obligations for the 2027-2029 and 2028-2030 compliance years, further refinements to the 24-hour Slice-of-Day (SOD) framework. Track 1 considered accreditation for long-duration energy storage, unforced capacity outage rates for thermal resources, accreditation for solar and wind resources, and transactability within the SOD framework during the first half of 2026. Track 2 addresses the planning reserve margin and coordination with the integrated resource plan proceeding.

Recent Developments: On July 2, the CPUC issued D.26-07-008 adopting local capacity obligations for 2027-2029, flexible capacity obligations for 2027 and making other program refinements. The Decision adjusts bidding rules and treatment of revenue for certain RA-related product transactions in the CAISO's new extended day-ahead market (EDAM). The modified rules will only apply to new resource contracts. On August 17, an ALJ Ruling provided the draft results of Energy Division's Loss of Load Expectation Study for 2028, but no planning reserve margin (PRM) for the 2028-2029 RA years was proposed. On August 25, the CPUC issued a Scoping Memo and Ruling for Track 2 which addresses RA requirements for 2028-2030, the 2028 and 2029 planning reserve margin, the RA penalty structure, and other RA counting and accreditation topics.

Analysis: D.26-07-008 imposes restrictions on CPUC-jurisdictional activity in CAISO's EDAM beyond those imposed on other market participants. The EDAM began operating during Spring 2026 with a single external participant but will expand to include utilities across a broader Western U.S. geography over the next couple of years. The full impacts of the EDAM restrictions on CPUC-jurisdictional participants are unknown and may change as the market adds new participants, but the restrictions may result in higher procurement costs for newly contracted resources.

Next Steps: A final PRM recommendation for the 2028-2029 RA years will be included in the final report from Energy Division, expected to be released in October.

Additional Information: Scoping Memo and Ruling (Aug. 25, 2026); Ruling and Draft Loss of Load Expectation Study for 2028 (Aug. 17, 2026); D.26-07-008 (Jul. 2, 2026); Scoping Memo (Dec. 12, 2025); OIR (Oct. 15, 2025); Docket No. R.25-10-003.

PG&E 2027 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 August 3, the CPUC issued a Scoping Memo and Ruling. On August 28, PG&E submitted Advice Letter 7972-E providing notice that its ERRA account balance surpassed the 5% trigger threshold and is forecast to self-correct within 120 days. As of the end of July 2026, PG&E had over-collected $225 million, of 5.4% of the prior-year generation revenue and the account is projected to end 2026 with an over-collection of $120 million, or 2.9% of the prior-year generation revenue.

Analysis: CalCCA filed testimony on August 27 addressing PG&E's Slice of Day RA valuation methodology; its approach to RA valuation more broadly; its treatment of Unsold RPS volumes; its data center load forecasting; and its treatment of its General Rate Case revenue requirement, among other things.

Next Steps: PG&E's rebuttal testimony is due September 16, and the Fall Update is due October 16 to be followed by a proposed decision in November with issuance of a final decision in late 2026.

Additional Information: PG&E AL 7972-E (Aug. 28, 2026); Scoping Memo and Ruling (Aug. 3, 2026); Ruling (Jun. 18, 2026); Application (May 15, 2026); Docket No. A.26-05-007.

IRP Rulemaking (2025)

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, ongoing reliability obligations, and the Commission's oversight of the IOUs' bundled procurement plans. This proceeding continues the work of R.20-05-003 and will be the primary forum for most future CPUC work on the Reliable and Clean Power Procurement Program framework (RCPPP).

Recent Developments: Opening comments on the RCPPP were filed on August 14. CalCCA's comments recommended against the adoption of Staff's newly proposed Option 3 for reasons that include the Option's potential for market interference and increased costs, and instead recommended adoption of Option 1 based on planning flexibility, accounting for load uncertainty and improved coordination across multiple compliance proceedings. VCE submitted its 2026 IRP on July 29. On August 17, an ALJ Ruling provided notice of a mid-September Energy Division staff workshop to discuss the IOUs' bundled procurement plans (BPPs) and set deadlines for party comments on the BPPs. On August 28, Energy Division provided its 2030-2031 ELCC Study and Staff Memo and expects to have indicative Effective Load Carrying Capability (ELCC) values for 2032 by mid-September. On August 31, the CPUC issued a Ruling requesting comments on recommended electricity resource portfolios for use in the CAISO's 2027-2028 Transmission Planning Process (TPP).

Analysis: The base case portfolio for the 2026-2027 TPP modifies the GHG targets for 2030 and 2035 to 38 MMT and 30 MMT, respectively, excludes offshore wind for the first time in several years, includes roughly half of the long lead-time (LLT) resources determined by the Commission to be needed in D.24-08-064, increases geothermal resources to 7.2 GW, and sheds 1.8 GW of natural gas capacity by 2045. Notably, the base case portfolio uses the 2024 IEPR load forecast which has limited consideration of changes in data center and electrification loads.

Next Steps: Reply comments on the RCPPP are due September 2. Comments on IRP filings are due September 21. A staff workshop on the IOUs' BPPs will be held on September 21, comments on the BPPs are due November 13, and reply comments are due November 30. A proposed decision on the IOUs' proposed BPP updates is expected in Q4. Comments on the TPP portfolios are due September 28 and reply comments are due October 12.

Additional Information: Ruling (Aug. 31, 2026); 2030-2031 ELCC Study and Staff Memo (Aug. 28, 2026); Ruling (Aug. 17, 2026); VCE's 2026 IRP (Jul. 29, 2026); Ruling on RCPPP (Jul. 13, 2026); Scoping Ruling (Oct. 28, 2025); OIR (Jul. 2, 2025); Docket No. R.25-06-019.

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: Opening briefs were filed on July 2 and reply briefs were filed on July 23. On August 4, the CPUC issued a Proposed Decision that would grant PG&E authority to track new revenue requirements effective January 1, 2027, as an interim accounting measure (note this Proposed Decision does not resolve any substantive issues in the proceeding). On August 11, a Ruling granted PG&E's motion for an update phase, allowing the Company to submit update testimony on labor cost changes and new tax costs, as well as granting party requests for an extended deadline for intervenor testimony.

Analysis: CalCCA's briefing, while spanning a range of cost allocation and cost reduction issues, focused on proposals for re-vintaging eight hydro assets and removing 13 hydro assets from PG&E's revenue requirement that erroneously remain on PG&E's books. These issues of focus are detailed in CalCCA's *ex parte* presentation submitted August 13.

Next Steps: The Proposed Decision authorizing PG&E to track revenue requirements may be heard as soon as the Commission's October 8 meeting. Party proposals for an updated schedule for the update phase were filed September 1, and intervenor testimony on the update phase is due October 30. A proposed decision is expected in March 2027.

Additional Information: Ruling (Aug. 11, 2026); Proposed Decision (Aug. 4, 2026); Ruling (Jun. 18, 2026); Ruling (Apr. 24, 2026); Ruling on schedule (Feb. 26, 2026); Amended Scoping Memo and Ruling (Jan. 26, 2026); Ruling (Jan. 16, 2026); Resolution SPD-37 (Dec. 10, 2025); Ruling (Nov. 24, 2025); CalAdvocates/SBUA Motion (Nov. 6, 2025); Ruling (Sep. 25, 2025); Scoping Memo and Ruling (Jul. 31, 2025); Application (May 16, 2025); Docket No. A.25-05-009.

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: On July 9, PG&E and the Joint CCAs filed a Joint Motion for adoption of a settlement agreement, which was supported in comments filed by the City and County of San Francisco and partially opposed in comments filed jointly by CalAdvocates, The Utility Reform Network, and Small Business Utility Advocates. Opening briefs were filed on July 16 and reply briefs were filed on August 13. On August 25, the settling parties filed a Motion and Comments requesting the record be re-opened to admit additional information addressing party comments in opposition to the settlement motion.

Analysis: The proposed settlement, if approved by the Commission, would clear the path for implementation of PG&E's long-overdue billing system improvements and eventually allow CCAs in PG&E's service territory to implement many required advanced dynamic rates and load management standards. The Joint CCAs' settlement recommendation include multiple specific changes related to bill presentation, data quality and access, reporting, rate implementation projects, CCA service fee updates, and PG&E's proposed functionalization of the BMI revenue requirement, all of which support their efforts to ensure that PG&E's billing system and cost allocation proposals do not confer an unfair competitive advantage upon PG&E.

Next Steps: Responses to the August 25 Motion are due September 9.

Additional Information: Motion (Aug. 25, 2026); Joint Motion (Jul. 9, 2026); Joint Case Management Statement (May 7, 2026); (Ruling (Mar. 10, 2026); Ruling (Feb. 5, 2026); Ruling (Feb. 3, 2026); Ruling (Dec. 12, 2025); Ruling (Nov. 18, 2025); Ruling (Sep. 11, 2025); Joint Case Management Statement (Aug. 20, 2025); D.25-08-008 (Aug. 19, 2025); Joint CCA Testimony (Jun. 30, 2025); Scoping Memo (Mar. 27, 2025); Application (Oct. 23, 2024); Docket No. A.24-10-014.

Disconnections and Reconnections

Background: This proceeding addresses approaches to the disconnection and reconnection of electric customers with a focus on improving energy access and cost containment.

Recent Developments: Public Participation Hearings on the joint emergency Motion to reduce the statewide temperature threshold for suspending utility disconnections from 100°F to 90° were held on August 6. On August 20, the CPUC issued D.26-08-009 extending the IOUs' Arrearage Management Payment Plan to eligible residential customers until February 1, 2027 to synchronize with the sunset date for the Percentage of Income Payment Plan Pilot.

Analysis: N/A.

Next Steps: Public Participation Hearings will be held on August 6. A ruling or proposed decision on the joint emergency Motion is expected.

Additional Information: D.26-08-009 (Aug. 20, 2026); Ruling (Jun. 4, 2026); Joint Emergency Motion (May 28, 2026); PG&E Arrearage Management Plan Annual Report (May 1, 2026); CBO Pilot Recommendations (Dec. 11, 2025); Ruling granting extension (Oct. 21, 2025); Ruling (Oct. 13, 2025); D.25-06-012 (Jun. 17, 2025); Phase 2 Scoping Memo (Jul. 15, 2022); OIR (Jul. 20, 2018); Docket No. R.18-07-005.

PG&E Diablo Canyon 2027 & 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: On August 28, PG&E submitted the Joint Meet and Confer Report in which parties agreed evidentiary hearings are not needed but that disputed issues remain.

Analysis: Disputes among parties remain on the appropriate level of operations and maintenance costs, RA substitution capacity forecast and costs, whether the non-bypassable charge and rate proposals should be approved, whether the VPF spending plan should be approved, and as to whether PG&E's testimony satisfies the requirements of previous decisions. These disputes directly impact both the costs and benefits that VCE's customers receive from extended operations of the Diablo Canyon facility.

Next Steps: A proposed decision is expected in late October.

Additional Information: Joint Meet and Confer Report (Aug. 28, 2026); Scoping Memo and Ruling (Jun. 16, 2026); Application (Mar. 27, 2026); Docket No. A.26-03-031.

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). This proceeding is also considering extension of existing dynamic rate pilots (including VCE's AgFIT pilot, now expanded across PG&E territory) and other real-time pricing (RTP) pilots as well as post-pilot dynamic rates required by the CEC's Load Management Standards.

Recent Developments: On July 10, PG&E submitted a second settlement status report indicating that 30 settlement conferences were held as of July 10, including 13 between June 9 and July 10, the majority of which have been held by the Marginal Costs and Revenue Allocation (MCRA) settlement subgroup. The third settlement status report was submitted on August 7, indicating that an additional 23 settlement conferences were held since the second status report was submitted and that some contested issues were nearing settlement in principle. A July 22 Ruling confirmed that testimony in response to PG&E's RTP Pilot stop-gap proposal is due September 30 from CalAdvocates and October 30 from other intervenors.

Analysis: According to the settlement status reports, CalCCA and PG&E have reached a preliminary agreement on two of the contested items raised in CalCCA's testimony in the Primary Track of this proceeding.

Next Steps: Additional settlement status reports are due September 4 and October 2. Rebuttal testimony in the Primary Track is due October 9, and a meet and confer will be held October 19. A Ruling on the need for evidentiary hearings in the Primary Track is expected November 20. Testimony on PG&E's RTP Pilot stop-gap proposal is due September 30 for CalAdvocates and October 30 for other intervenors.

Additional Information: Third Status Report (Aug. 7, 2026); Ruling (Jul. 22, 2026); Second Status Report (Jul. 10, 2026); Ruling modifying schedule (Jun. 17, 2026); PG&E Supplemental Testimony (Jun. 8, 2026); Motion for bifurcated track (Nov. 6, 2025); PG&E Testimony and Change Tables (Oct. 29, 2025); Scoping Memo (Mar. 21, 2025); Application (Sep. 30, 2024); Docket No. A.24-09-014.

Demand Response Enhancements

Background: This proceeding seeks to enhance demand response (DR) resources by updating guiding principles, policies, and data system and process requirements. Demand response development is closely connected to the implementation of dynamic rates and real-time pricing (RTP), similar to VCE's AgFIT Pilot, but across all customer classes.

Recent Developments: On July 7, a Ruling modified the bridge-year funding schedule to eliminate testimony, evidentiary hearing, and briefs from the schedule.

Analysis: N/A.

Next Steps: A proposed decision on bridge-year funding is expected during Q3.

Additional Information: Ruling (Jul. 7, 2026); Joint Case Management Statement (Jun. 11, 2026); Ruling (Apr. 8, 2026); D.26-03-016 on Flex Alert Funding (Mar. 26, 2026); Ruling on Staff Proposal on IOUs Bridge Year Funding (Mar. 10, 2026); Scoping Memo and Ruling (Feb. 12, 2026); OIR and Guiding Principles (Sep. 29, 2025); Docket No. R.25-09-004.

Advanced Electric Rate Design

Background: This proceeding will establish advanced electric rate design policies, including rate structures and components such as time-of-use (TOU), demand charges, and the design of demand flexibility and dynamic rates. Additionally, rate design options to support electrification for large commercial and industrial (C&I) customers, as well as rate design options for data centers and other large load customers will also be addressed.

Recent Developments: No recent developments.

Analysis: N/A.

Next Steps: A scoping memo and ruling is expected soon.

Additional Information: Ruling (May 22, 2026); OIR (Apr. 10, 2026); Docket No. R.26-04-009.

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: No recent developments.

Analysis: N/A.

Next Steps: The parties anticipate the next step in this proceeding will be the issuance of a Proposed Decision.

Additional Information: Joint Settlement Motion (May 22, 2026); Ruling (Feb. 2, 2026); Ruling requiring supplemental testimony (Dec. 22, 2025); Joint Status Conference Statement (Nov. 25, 2025); Scoping Memo and Ruling (May 2, 2025); PG&E 2024 ERRA Compliance Application (Feb. 28, 2025); Docket No. A.25-02-013.

PG&E 2025 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: No recent developments.

Analysis: N/A.

Next Steps: Intervenor testimony is due September 9, a joint status conference is scheduled for October 30, and a proposed decision is expected in 2Q 2027.

Additional Information: Scoping Memo and Ruling (May 26, 2026); Application (Feb. 27, 2026); Docket No. A.26-02-019.

Climate Credit OIR

Background: This rulemaking will explore potential approaches to supporting customer affordability through cap-and-trade program proceeds returned to electric consumers via the state Climate Credit. The proceeding is divided into two tracks, and the current Track 1 has a Phase 1A and a Phase 1B. Phase 1A addressed the timing of the distribution of climate credits in 2026 and Phase 1B addresses broader changes in the residential Climate Credit.

Recent Developments: A July 9 Ruling adjusted the schedule. Parties filed opening comments on July 24 and reply comments on August 17 on topics related to Phase 1B. CalCCA's comments emphasized the importance of equal treatment for bundled and unbundled customers, recommended the existing non-volumetric Climate Credit methodology be retained, and requirements that party proposals recommending changes include demonstration of justifications and benefits. Also on August 17, a Ruling provided direction for party proposals.

Analysis: N/A.

Next Steps: Party proposals on potential changes to the Climate Credit are due September 14, and a proposed decision is expected in Q1 2027.

Additional Information: Ruling (Aug. 17, 2026); Ruling (Jul. 9, 2026); D.26-04-036 (May 4, 2026); D.26-03-013 (Mar. 25, 2026); Scoping Memo and Ruling (Feb. 3, 2026); Ruling (Oct. 31, 2025); OIR (Aug. 20, 2025); Docket No. R.25-07-013.

Distribution Interconnection Rules

Background: This rulemaking will review and refine distribution-level interconnection rules under Electric Rule 21, particularly those for distributed energy resources (DER) for PG&E, SCE, SDG&E and the small and multijurisdictional electric utilities. Phase 1 will consider interconnection timelines and evaluation screens, and the interconnection process for resources not interconnecting under the net billing or net metering tariffs. Subsequent phases are undefined at present, but may address issues related to interconnection processes, pathways, and standards; sharing of upgrade costs; net billing and net metering interconnections; among other topics.

Recent Developments: On July 14, the CPUC issued a Ruling requiring the IOUs to provide information on Rule 21 interconnection applications.

Analysis: The Ruling specifically requests information necessary for the Commission to evaluate whether the $800 application fee for projects other than net metering or net billing represents the actual cost for the IOUs to process an interconnection application.

Next Steps: A scope for Phase 2 will be developed based on comments and workshop feedback from Phase 1.

Additional Information: Ruling (Jul. 14, 2026); Resolution E-5436 (May 4, 2026); Scoping Memo and Ruling (Mar. 3, 2026); OIR (Jul. 25, 2025); Docket No. R.25-08-004.

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: On July 23, the CPUC issued a Scoping Ruling re-opening and amending Phase 3B for consideration of whether the implementation of D.23-12-037 creates an undue and disproportionate burden on the California Tribal Nation and Tribal members in response to a letter from the Morongo Band of Mission Indians. An August 14 Ruling provided notice of the Commission's August 25 Tribal consultation.

Analysis: The amended scope specifically addresses whether D.23-12-037 should be amended to provide an exemption from the Decision's elimination of the subsidy for electric line extensions for mixed-fuel new construction for buildings located on Tribal lands.

Next Steps: A proposed decision on the amended scope is expected in Q4 2026.

Additional Information: Ruling (Aug. 14, 2026); Scoping Ruling (Jul. 23, 2026); (Ruling on Extension (Apr. 7, 2026); Scoping Ruling (Mar. 30, 2026); PG&E AL 7642-E (Jul. 15, 2025); D.25-06-034 (Jun. 20, 2025); PG&E AL 5074-G/7615-E (Jun. 5, 2025); Scoping Memo and Ruling (Jul. 1, 2024); OIR (Feb. 8, 2019); Docket No. R.19-01-011.

City and County of San Francisco Municipalization

Background: The City and County of San Francisco (City or CCSF) filed this Petition in 2021 for a determination by the CPUC of just compensation for acquisition by the City of PG&E property (PG&E distribution and transmission assets to serve San Francisco) pursuant to Public Utilities Code §1401-1421.

Recent Developments: No recent developments.

Analysis: N/A.

Next Steps: PG&E's opening testimony is due October 20 and intervenor testimony is due December 22.

Additional Information: CCSF Notice of Testimony (Apr. 20, 2026); Ruling (Apr. 2, 2026); PG&E Motion (Mar. 30, 2026); Ruling (Mar. 10, 2026); Ruling (Feb. 18, 2026); Ruling on CCSF Motion to Compel (Jan. 12, 2026); D.25-10-039 (Nov. 6, 2025); Amended Scoping Memo (Jul. 1, 2025); Petition (Jul. 27, 2021); Docket No. P.21-07-012.

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: VGI Workshop Report (May 27, 2026); PG&E AL 7884-E Technical Assistance Program Handbook (Apr. 6, 2026); Resolution E-5434 (Feb. 27, 2026); D.25-12-005 (Dec. 5, 2025); Ruling (Oct. 14, 2025);

Ruling (Oct. 1, 2025); Joint Report on the CPUC's Submetering and Telematics Workshop (Jun. 16, 2025); Scoping Memo and Ruling (Apr. 12, 2024); OIR (Dec. 20, 2023); Docket No. R.23-12-008.

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 closed the proceeding. An Application for Rehearing was denied by D.25-06-067, and CalSSA's Petition for Modification remains pending.
R.23-03-007	Wildfire Fund NBC 2024-2026	D.25-12-006 set the 2026 Wildfire NBC at $5.91/MWh - a slight decrease from the 2025 WF NBC charge of $5.95/MWh.

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's (CAC) August 27, 2026 meeting
DATE:	September 10, 2026

This report summarizes the Community Advisory Committee's meeting held in person and via Zoom webinar on Thursday, August 27, 2026. Please note that the CAC did not have a meeting in July 2026.

Thursday, August 27, 2026 Meeting:

A. **Provided feedback and recommendation to approve Power Project Selection Criteria Guidelines (Discussion/Action):** the CAC provided feedback on the draft Power Project Selection Criteria Guidelines. The CAC and Staff discussed several aspects of the draft. The CAC approved a motion to recommend to the Board that they adopt the draft Guidelines with additional language regarding location criteria and potential VCE-owned projects. (7-0-0)

B. **Received presentation from VCE's Intern on Distributed Energy Resources Management System (DERMS) (Information):** VCE's Summer Intern provided a comprehensive review of DERMS, including defining what DERMS are, the different types, what DERMS do, DERMS load shape, financial and non-financial value, residential opportunities and challenges, and what other CCA's are doing. The CAC and Staff briefly discussed capacity, load shifting, the potential to pair DERMS with grant monies, and Resource Adequacy (RA) obligation.

C. Received an overview of VCE's pending efforts related to customer engagement focus groups (Information): Staff provided an overview of pending efforts related to customer engagement focus groups. The CAC made suggestions on what information would be helpful as a result of the focus groups.

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 9

To: Board of Directors

From: Mitch Sears, Chief Executive Officer

Subject: VCE Board Strategic Workshop Information

Date: September 10, 2026

RECOMMENDATION
Informational

BACKGROUND & DISCUSSION
Working with the Board Chair and Vice Chair, staff is organizing a Board strategic workshop. The purpose of the facilitated workshop is to allow the Board to engage in deeper discussions around VCE's shared mission/vision and key policies that direct implementation of those long-term guiding statements. The intent is to allow more time for this type of discussion than is typically afforded at regular Board meetings. The ½-day workshop will be held on Friday, October 23rd at a location to be determined.

Staff will continue to work with the Chair and Vice Chair on planning for the workshop. Additional information and background materials will be provided to the Board in advance of the workshop.

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 10

TO: Board of Directors

FROM: Edward Burnham, Chief Financial Officer

SUBJECT: Approve and Adopt AI Use Policy

DATE: September 10, 2026

RECOMMENDATIONS
Approve the attached resolution adopting the Acceptable Use of Artificial Intelligence (AI) Policy for VCE.

OVERVIEW
Artificial Intelligence (AI) technologies are becoming increasingly integrated into workplace software and business operations. AI tools can improve productivity, streamline administrative tasks, enhance research capabilities, and support development initiatives. However, these technologies also present risks related to data privacy, confidentiality, cybersecurity, accuracy, intellectual property, and regulatory compliance.

The draft Acceptable Use of AI Policy establishes a framework for the responsible, ethical, and secure use of AI technologies. If adopted, the draft policy provides staff with clear guidance on acceptable uses of AI while protecting organizational information and ensuring compliance with applicable legal and regulatory requirements.

BACKGROUND
AI technologies have advanced rapidly and are now widely available to employees through commercially available platforms such as Microsoft Copilot, ChatGPT, Gemini, and other AI-enabled applications. AI tools may improve productivity and help staff perform routine tasks; however, AI outputs may not always be accurate. AI-generated content routinely contains factual errors or "hallucinations" that require human review and validation prior to use.

VCE does not have a formal policy governing the use of AI technologies. As AI tools become more integrated into workplace applications and business processes, it is important to establish clear guidelines to ensure their use aligns with organizational standards, cybersecurity standards, records management, privacy obligations, and applicable laws and regulations.

The draft policy was developed to provide employees with guidance regarding:
- Appropriate and inappropriate uses of AI technologies.
- Confidentiality and data protection requirements.
- Human oversight and accountability for AI-generated content.

- Employee responsibilities when using AI tools.
- Compliance with applicable legal, ethical, and regulatory requirements.

ANALYSIS

The draft AI Policy provides a balanced approach that encourages innovation while managing risk. The policy does not prohibit the use of AI technologies; rather, it establishes conditions under which AI tools may be used safely and effectively.

Key Elements of the Policy

The proposed policy includes the following key provisions:

- Establishes ethical principles for AI use, including fairness, transparency, accountability, and responsible decision-making.
- Requires compliance with all applicable privacy, security, and data protection requirements.
- Prohibits the entry of confidential, proprietary, customer, employee, financial, or other non-public information into unauthorized AI systems.
- Requires employees to review and validate AI-generated content before relying upon or distributing it.
- Prohibits discriminatory, deceptive, manipulative, or otherwise inappropriate uses of AI technologies.
- Establishes employee accountability for outputs created with AI assistance.
- Requires employee awareness and training regarding the risks and limitations of AI tools.
- Provides for periodic review and updates as technology, laws, and best practices evolve.

Organizational Benefits

Adoption of the policy will:

- Provide clear guidance to employees regarding acceptable use of AI technologies.
- Reduce the risk of unauthorized disclosure of confidential information.
- Promote consistent and responsible use of AI throughout the organization.
- Improve cybersecurity and data protection practices.
- Support innovation and productivity while maintaining appropriate safeguards.
- Demonstrate proactive governance in response to rapidly evolving technologies.
- Implementation

If approved, management, including Fuse3 (Outsource IT Support Service Provider), will implement the policy and communicate the requirements to staff. Administrative procedures may be developed to address approved AI platforms, employee training requirements, security controls, and data governance expectations.

CONCLUSION

If adopted, the draft policy will provide staff with clear guidance regarding AI usage and position the organization to responsibly leverage emerging technologies in support of its mission and strategic objectives. Staff will monitor developments in AI technology and applicable regulations and will recommend future policy updates as necessary.

Attachments

1. Acceptable Use of Artificial Intelligence (AI) Policy (Draft)
2. Resolution adopting Acceptable Use of Artificial Intelligence (AI) Policy

VALLEY
CLEAN ENERGY

Valley Clean Energy Alliance

Acceptable Use of AI (Artificial Intelligence) Policy

Contents

Purpose:

This policy establishes guidelines for the responsible, ethical, and secure use of Artificial Intelligence (AI) technologies at Valley Clean Energy (VCE). It is intended to help employees use AI effectively while protecting confidential information, complying with legal requirements, and managing organizational risk.

Risks of using generative AI

- **Inaccuracy**: AI-generated content may be incorrect, outdated, biased, misleading, or entirely fabricated ("hallucinated"). Users must review and verify AI outputs before relying on them for business purposes.

- **Confidentiality:** Information entered into public AI platforms may be stored, disclosed, or used for future model training. Employees should never enter confidential, sensitive, customer, employee, or other non-public information into unauthorized AI systems.

- **Usage restrictions:** AI tools may have contractual, legal, or operational limitations that restrict how they can be used. Employees are responsible for complying with the terms and conditions of approved AI platforms.

- **Litigation:** Because generative AI is relatively new, the ethical, legal, and business landscape regarding its use, commercialization, and regulation remains unsettled and is evolving. Generative AI has already resulted in high-profile litigation against operators of several generative AI platforms, and this litigation could extend to users of generative AI platforms in the future.

1. Scope

This policy applies to all employees, contractors, and third parties who use AI technologies within the VCE's infrastructure or on behalf of VCE. VCE's CFO and VCE's outsourced IT support services provider will administer this policy.

2. Definitions

- **AI (Artificial Intelligence):** Any software, system, or tool that uses algorithms to simulate human intelligence processes, including learning, reasoning, and problem-solving.
- **Generative AI:** Any AI system capable of generating text, images, audio, or other content, including but not limited to models such as GPT, DALL-E, and other similar technologies.
- **Sensitive Data:** Any data that could potentially be used to identify an individual or is protected under data protection laws, including personal, financial, and health information.

3. General Principles

- **Ethical Use:** All AI applications must be used in a manner that aligns with the VCE's ethical standards, promoting fairness, transparency, and accountability.
- **Compliance:** All use of AI technologies must comply with applicable laws, regulations, and industry standards, including data protection and privacy laws.
- **Security:** AI systems must be implemented with appropriate security measures to protect against unauthorized access, data breaches, and other security risks.

4. Data Privacy and Security

- **Data Collection and Use:** Data used by generative AI systems must be carefully controlled. Sensitive Data, especially non-public customer information, should not be input into generative AI systems without explicit authorization and clear business need.
- **Prohibition of Non-Public Data Use:** Non-public Sensitive Data, including names and contact details, must not be included in training datasets or used in generating content without proper controls and permissions.

- **Data Access:** Access to data used by AI systems must be restricted to authorized personnel only. Proper access controls and logging mechanisms must be in place.
- **Data Storage and Retention:** Data should be stored securely and only retained for as long as necessary for the AI system's purpose.

5. Transparency and Accountability

- **Disclosure:** When interacting with AI systems, users should be informed that they are interacting with an AI system, and the purpose of the interaction should be clear.
- **Decision-Making:** AI systems that assist in decision-making processes should provide explanations for their recommendations or actions, where feasible.
- **Responsibility:** Employees must take responsibility for the proper functioning and ethical use of AI systems. Employees are responsible for ensuring that the use of generative AI systems complies with this policy and must report any concerns or issues promptly. Any concerns or issues should be reported to the appropriate manager.

6. Prohibited Uses

- **Discrimination:** AI systems must not be used to discriminate against individuals or groups based on race, gender, age, disability, religion, sexual orientation, or any other protected characteristic.
- **Surveillance:** AI technologies must not be used for unauthorized surveillance of employees, clients, or other individuals.
- **Manipulation and Deception:** AI systems should not be used to deceive, manipulate, or exploit individuals.
- **Unauthorized Use of Sensitive Data:** It is strictly prohibited to use generative AI systems to process, generate, or disseminate non-public client or VCE information without explicit permission.

7. Employee Training and Awareness

- Employees must receive training on the ethical and secure use of AI technologies and be aware of the potential risks and benefits associated with AI applications.

8. Monitoring and Review

- **Monitoring:** The use of AI systems will be monitored to ensure compliance with this policy. Any unauthorized use or security breaches must be reported immediately to the appropriate manager.

- **Review and Update:** This policy will be reviewed regularly and updated as necessary to reflect changes in technology, laws, and VCE practices.

VALLEY CLEAN ENERGY ALLIANCE

RESOLUTION NO. 2026-___

A RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY CLEAN ENERGY ALLIANCE ADOPTING AN ACCEPTABLE USE OF ARTIFICIAL INTELLIGENCE POLICY

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; and,

WHEREAS, to support the responsible use of emerging technologies and protect organizational information, VCE must adopt an Acceptable Use of Artificial Intelligence Policy that establishes standards for the ethical, secure, and compliant use of AI technologies by employees and authorized users; and,

WHEREAS, VCE is committed to the ethical, secure, and responsible use of Artificial Intelligence technologies and to protecting confidential information through appropriate oversight, accountability, and employee awareness; and,

NOW, THEREFORE, the Board of Directors of Valley Clean Energy Alliance hereby adopts an Acceptable Use of AI (Artificial Intelligence) Policy (Exhibit A).

PASSED, APPROVED AND ADOPTED, at a regular meeting of the Valley Clean Energy Alliance, held on the ____ day of ___________ 2026, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

____
Jesse Loren, VCE Chair

____
Alisa M. Lembke, VCE Board Secretary

Attachment: Exhibit A – Acceptable Use of AI (Artificial Intelligence) Policy

Exhibit A

Acceptable Use of AI (Artificial Intelligence) Policy

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 11

TO: Board of Directors

FROM: Edward Burnham, Chief Financial Officer

SUBJECT: Approve and Adopt Updated Collections Policy

DATE: September 10, 2026

RECOMMENDATIONS
Approve the attached resolution adopting the updated collections policy for VCE.

BACKGROUND & ANALYSIS
At the March 10, 2022 meeting, the Board adopted (Item 14) VCE's collection policy to establish a customer-focused process for recovering delinquent accounts returned to Valley Clean Energy (VCE) after PG&E collection efforts have ended.

As part of SMUD's billing and collections services, SMUD recently selected a new collections partner to manage collection activities on behalf of participating agencies. To align VCE's Collections Policy with the new collections provider's practices and capabilities, Staff recommends several administrative updates to improve clarity, operational efficiency, and collection effectiveness.

The proposed amendments:
- Clarify customer notification and pre-collection outreach requirements.
- Clarify when delinquent accounts may be referred to collections.
- Increase settlement authority for collections agent from $2,500 to $10,000 for negotiated account resolutions.
- Continue CEO discretion to address customer hardship, unforeseeable events, or other extenuating circumstances for balances under $2,500.

These updates are intended to support efficient administration of VCE's collections program, improve recovery of outstanding receivables, and ensure the policy remains aligned with current operational practices while maintaining VCE's commitment to fair and customer-centered collections practices. Staff recommends approval of the updated Collections Policy.

CONCLUSION
If adopted, the updated Collections Policy is expected to reduce additional impairment by reducing accounts receivable and bad debt expense and increasing cash receipts.

Attachments
1. Collections Policy Updated Draft (Redline)
2. Resolution 2026-XXX adopting Collections Policy

Valley Clean Energy Alliance

Collections Policy

~~1.~~

~~2.~~1. PURPOSE

This policy establishes Valley Clean Energy (VCE) rules governing late payment and pre-collection notifications to customers, and the process by which a third-party collection agent will collect past due VCE charges on VCE's behalf. VCE or its agent will make all reasonable efforts to contact a customer and to handle collections with a high degree of sensitivity before sending the account to collections.

2. COLLECTIONS

All customers must pay all outstanding VCE charges for the period in which the customer received service from VCE.

a. Customers ~~should be~~ may be returned to Investor Owned Utility (IOU) services for account balances greater than 120 days and with no payment plan arrangements with Pacific Gas and Electric (PG&E).

~~a.~~b. Customers that fail to remain current with payment plans may~~will~~ be returned to IOU services.

~~b.~~c. Late Payment and Return to IOU Notifications

i. Active customers will be sent multiple late payment notices by PG&E and/or VCE to a customer's last known mailing address or if customer consented to receive electronic notices or electronic bills, at customer's last known e-mail address, if the account has a VCE balance that is 90 days or more past due and the customer is not on a payment arrangement with PG&E.

ii. Late payment notices will indicate that an outstanding balance is overdue and that failure to pay ~~VCE~~ charges to PG&E or to enter a payment arrangement with PG&E may result in ~~being referred to a collection agent designated by VCE~~ disconnection of service.

~~c.~~d. Collections Criteria

i. ~~Except as provided in Section b.ii~~, Any terminated customer account with an outstanding VCE charge that is not subject to collection by PG&E may be referred for collections to a collection agency designated by VCE.

~~ii. Customers enrolled in the California Alternate Rates for Energy (CARE), Family Electric Rate Assistance (FERA), or Medical Baseline programs at the time PG&E returns a receivable to VCE are not subject to the collections criteria in Section c.i. if the balance is $500 or less.~~

~~d.~~e. Pre-Collection Notification

i. When necessary, VCE or its assigned agent will use reasonable business methods, using contact information available through customer information on file with PG&E, to send a multiple pre-collection notices informing any customer account that meets the collections criteria specified in Section 2.c. that the customer charges owed to VCE are outstanding and that the customer's account is collectible through a collection agent designated by VCE .

~~e.~~f. Collection Agent

i. VCE may engage one or more collection agents to collect past due funds from VCE customers on VCE's behalf (Collection Agent).

ii. Once VCE sends a customer account to the Collection Agent, the customer must work directly with the Collection Agent to resolve outstanding charges owed.

iii. The Collection Agent retained by VCE shall comply with all laws and regulations relating to consumer protection, credit reporting or monitoring, debt collections, customer confidentiality, or other similar laws or regulations.

~~iv.~~ The Collection Agent is prohibited from selling information provided by VCE~~.~~

v. On no less than an annual basis, VCE ~~shall~~ may review the practices and results of the Collection Agent and ~~shall take immediate action~~ to may address any performance concerns.

vi. VCE may authorize the Collection Agent to reach settlements with customers that result in the recovery of past due funds. Settlements may be negotiated by ~~Collections~~ the Collection Agent for balances of up to $10,000 for no less than 80% of the owed balance for accounts ~~placed~~ up to 60 days overdue or 50% for accounts greater than 60 days overdue. Any amount of ~~$2,500~~$10,000 or more must be approved by the ~~Interim General Manager~~CEO or the ~~Interim General Manager~~CEO's designee. Negotiated settlements with a customer in excess of a $50,000 original balance must be approved by the Board of Directors.

vii. No VCE interest, penalties, or fees will be assessed on any customer account other than payment transaction fees.

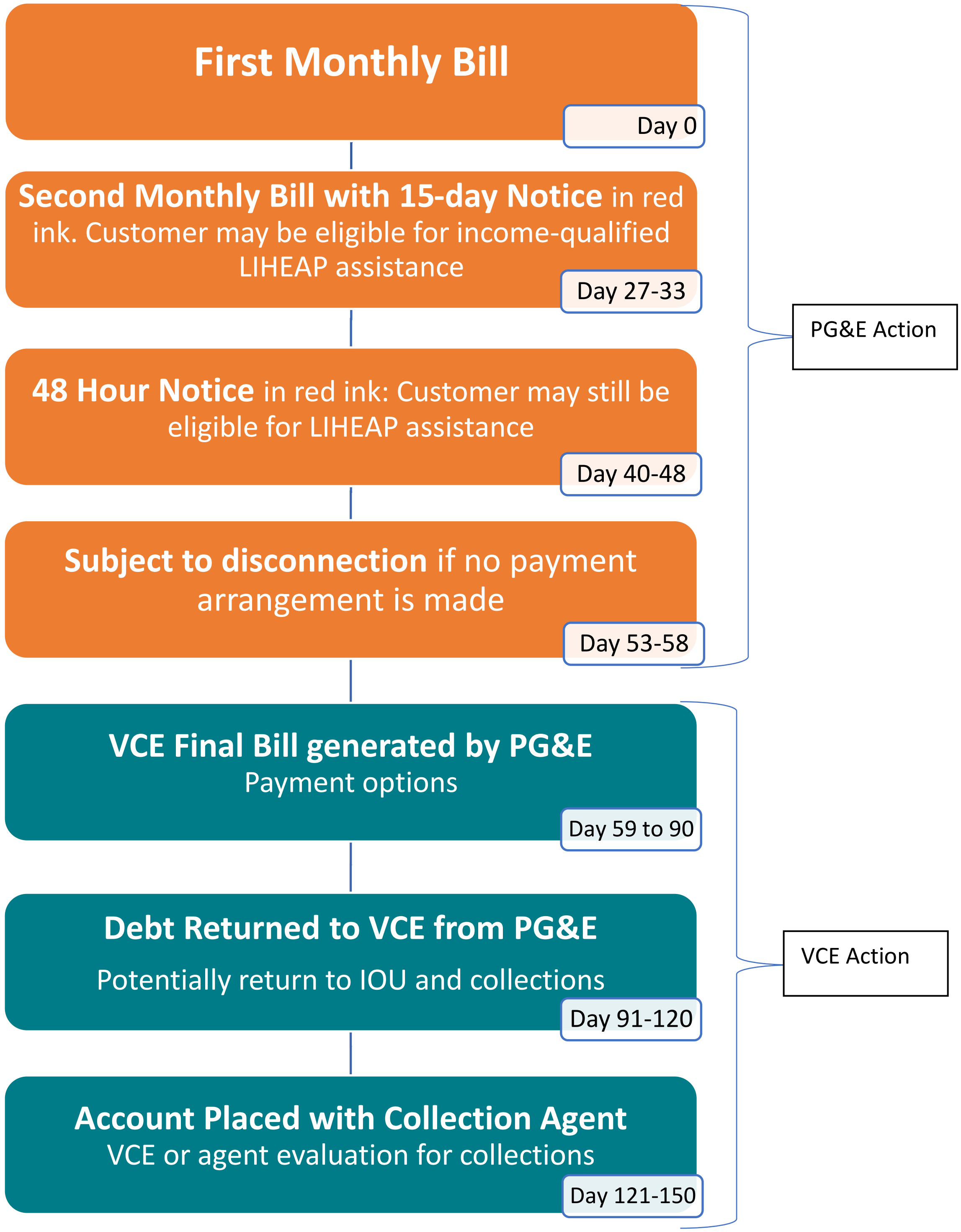
viii. If customer has not paid within 180 days following the initiation of the collections process, the Collection Agent may file credit reporting information on the customer with all applicable credit monitoring agencies.

ix. Collections Agent is authorized to pursue legal action on behalf of VCE consistent with the Fair Collections Practices Act and any other laws or regulations governing collections.

~~f.~~g. ~~Executive Director~~Chief Executive Officer Discretion

The ~~Interim General Manager~~CEO or the ~~Interim General Manager's~~CEO's designee may, in their discretion, cancel, recall an account from the Collection Agent, or otherwise deviate from the collection process specified in this policy for reasons including but not limited to cases of unforeseeable events, exigent circumstances, or customer hardship for amounts less than $2,500.

Exhibit 1 – COLLECTIONS FLOW CHART



VALLEY CLEAN ENERGY ALLIANCE

RESOLUTION NO. 2026-___

A RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY CLEAN ENERGY ALLIANCE ADOPTING A COLLECTIONS POLICY UPDATE

WHEREAS, 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; and,

WHEREAS, to achieve its strategic goals, VCE must adopt a Collection Policy to govern the collection of accounts receivable to reduce past-due balances and reduce VCE's bad debt expense, thus reducing upward pressure on rates for all other customers; and,

WHEREAS, VCE or its agent will make all reasonable efforts to contact a customer and to handle collections with a high degree of sensitivity before sending the account to collections; and,

WHEREAS, on March 10, 2022, the VCE Board of Directors adopted a Collections Policy; and,

WHEREAS, VCE and SMUD's collections partners have changed; and,

WHEREAS, VCE needs to update and align the original Collections Policy agency limits from $2,500 to $10,000; and

NOW, THEREFORE, the Board of Directors of Valley Clean Energy Alliance hereby adopts an updated Collections Policy (Exhibit A).

PASSED, APPROVED AND ADOPTED, at a regular meeting of the Valley Clean Energy Alliance, held on the _______ day of _____________ 2026, by the following vote:
AYES:
NOES:
ABSENT:
ABSTAIN:

____
Jesse Loren, VCE Chair

____
Alisa M. Lembke, VCE Board Secretary
Attachment: Exhibit A – Collections Policy (Updated)

Exhibit A

Collections Policy (Updated)

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 12

TO: Board of Directors

FROM: Chad Curran, Director of Power Services

SUBJECT: Ratify amendment to services agreement with First Principles Advisory, LLC for Integrated Resource Planning Portfolio Modeling

DATE: September 10, 2026

Recommendation
Ratify the signed first amendment to the agreement with First Principles Advisory, LLC (First Principles) for Integrated Resource Planning (IRP) portfolio modeling services.

Background
At the February 12, 2026, Board meeting, the Board ratified an agreement between VCE and First Principles for IRP portfolio modeling services, for an amount not to exceed $60,000, with a term expiring May 31, 2026. At the time the Board ratified the agreement, the IRP was due to be filed at the California Public Utilities Commission (CPUC) by June 1, 2026, and VCE expected that all IRP modeling services would be completed by May 31, 2026.

On March 9, 2026, the CPUC issued a ruling extending the due date for filing the IRP to August 10, 2026. Due to the extension of the filing deadline for the IRP, VCE required IRP portfolio modeling services after the original May 31, 2026, expiration date of the agreement. First Principles completed all modeling work in July 2026, and VCE filed the IRP with the CPUC on July 29, 2026. The total amount billed to VCE under the agreement was $54,975, below the $60,000 limit approved by the Board for the original agreement. VCE's Executive Officer signed an amendment with First Principles, effective May 31, 2026, to amend the agreement to extend the expiration date of the agreement to July 31, 2026.

Conclusion
Staff is recommending that the Board ratify via resolution the first amendment to VCE's agreement with First Principles Advisory for IRP portfolio modeling services, extending the expiration date from May 31, 2026, to July 31, 2026.

Attachments
1. Agreement between VCE and First Principles Advisory, LLC
2. First Amendment to Agreement between VCE and First Principles Advisory, LLC
3. Resolution 2026-XXX

AGREEMENT BETWEEN THE VALLEY CLEAN ENERGY ALLIANCE AND
FIRST PRINCIPLES ADVISORY, LLC
FOR
PORTFOLIO MODELING

THIS AGREEMENT, is entered into this February 2, 2026 by and between the VALLEY CLEAN ENERGY ALLIANCE, a Joint Powers Authority organized and operating under the laws of the State of California, with its principal place of business at 604 Second Street, Davis, California, 95616 ("VCE"), and **First Principles Advisory**, a LLC whose address is 1116 Sills Court #2, Capitola CA 95010 (hereinafter referred to as "Consultant") (collectively referred to as the “Parties” and individually as a “Party”).

RECITALS:

A. VCE is an independent public agency duly organized under the provisions of the Joint Exercise of Powers Act of the State of California (Government Code Section 6500 *et seq*.) (“Act”) with the power to conduct its business and enter into agreements.

B. Consultant possesses the skill, experience, ability, background, certification and knowledge to provide the services described in this Agreement pursuant to the terms and conditions described herein.

C. VCE and Consultant desire to enter into an agreement for Portfolio Modeling upon the terms and conditions herein.

NOW, THEREFORE, the Parties mutually agree as follows:

1. **TERM**

The term of this Agreement shall commence on January 30, 2026 and shall terminate on May 31, 2026 unless terminated earlier as set forth herein.

2. **SERVICES TO BE PERFORMED**

Consultant shall perform each and every service set forth in Exhibit "A" pursuant to the schedule of performance set forth in Exhibit "B," both of which are attached hereto and incorporated herein by this reference.

3. **COMPENSATION TO CONSULTANT**

Consultant shall be compensated for services performed pursuant to this Agreement in a total amount not to exceed Sixty Thousand and no/100 Dollars ($60,000.00) based on the rates and terms set forth in Exhibit "C," which is attached hereto and incorporated herein by this reference.

4. **TIME IS OF THE ESSENCE**

Consultant and VCE agree that time is of the essence regarding the performance of this Agreement.

5. **STANDARD OF CARE**

Consultant agrees to perform all services required by this Agreement in a manner commensurate with the prevailing standards of specially trained professionals in the San Francisco Bay Area under similar circumstances and in a manner reasonably satisfactory to VCE and agrees that all services shall be performed by qualified and experienced personnel. Consultant shall be responsible to VCE for any errors or omissions in the performance of work pursuant to this Agreement. Should any errors caused by Consultant be found in such services or products, Consultant shall correct the errors at no additional charge to VCE by redoing the professional work and/or revising the work product(s) called for in the Scope of Services to eliminate the errors. Should Consultant fail to make such correction in a reasonably timely manner, such correction may be made by VCE, and the cost thereof shall be charged to Consultant. In addition to all other available remedies, VCE may deduct the cost of such correction from any retention amount held by VCE or may withhold payment otherwise owed Consultant under this Agreement up to the amount of the cost of correction.

6. **INDEPENDENT PARTIES**

VCE and Consultant intend that the relationship between them created by this Agreement is that of an independent contractor. The manner and means of conducting the work are under the control of Consultant, except to the extent they are limited by statute, rule or regulation and the express terms of this Agreement. No civil service status or other right of employment will be acquired by virtue of Consultant's services. None of the benefits provided by VCE to its employees, including but not limited to, unemployment insurance, workers' compensation plans, vacation and sick leave are available from VCE to Consultant, its employees or agents. Deductions shall not be made for any state or federal taxes, FICA payments, PERS payments, or other purposes normally associated with an employer-employee relationship from any fees due Consultant. Payments of the above items, if required, are the responsibility of Consultant. Consultant shall indemnify and hold harmless VCE and its elected officials, officers, employees, servants, designated volunteers, and agents serving as independent contractors in the role of VCE officials, from any and all liability, damages, claims, costs and expenses of any nature to the extent arising from Consultant's personnel practices. VCE shall have the right to offset against the amount of any fees due to Consultant under this Agreement any amount due to VCE from Consultant as a result of Consultant's failure to promptly pay to VCE any reimbursement or indemnification arising under this section.

7. NO RECOURSE AGAINST CONSTITUENT MEMBERS OF VCE

VCE is organized as a Joint Powers VCE in accordance with the Joint Powers Act of the State of California (Government Code Section 6500 et seq.) pursuant to a Joint Powers Agreement dated March 31, 2016, and is a public entity separate from its constituent members. VCE shall solely be responsible for all debts, obligations and liabilities accruing and arising out of this Agreement. Consultant shall have no rights and shall not make any claims, take any actions or assert any remedies against any of VCE's constituent members in connection with this Agreement.

8. **NON-DISCRIMINATION**

In the performance of this Agreement, Consultant, and any subconsultant under the Consultant, shall not discriminate against any employee, subcontractor or applicant for employment because of race, color, religious creed, sex, gender, gender identity, gender expression, marital status, national origin, ancestry, age, physical disability, mental disability, medical condition, genetic information, sexual orientation, military or veteran status, or other basis prohibited by law, except as provided in Government Code section 12940. Consultant shall have responsibility for compliance with this Section.

9. **HOLD HARMLESS AND INDEMNIFICATION**

A. Intellectual Property Indemnification. Consultant hereby certifies that it owns, controls, or licenses and retains all right, title, and interest in and to any intellectual property it uses in relation to this Agreement, including the design, look, feel, features, source code, content, and other technology relating to any part of the services and including all related patents, inventions, trademarks, and copyrights, all applications therefor, and all trade names, service marks, know how, and trade secrets (collectively referred to as "IP Rights"), except as otherwise expressly provided by this Agreement. Consultant warrants that the services to be provided pursuant to this Agreement do not infringe, violate, trespass, or constitute the unauthorized use or misappropriation of any IP Rights of any third party. Consultant shall indemnify, defend, and hold Indemnitees, harmless from and against any Liabilities by a third party that the services to be provided pursuant to this Agreement infringe or violate any third-party's IP Rights, provided any such right is enforceable in the United States. Such costs and expenses shall include reasonable attorneys' fees of counsel of VCE's choice, expert fees and all other costs and fees of litigation.

B. The acceptance of the services by VCE shall not operate as a waiver of these rights of indemnification. The hold harmless and indemnification provisions of this Section shall apply regardless of whether or not any insurance policies are determined to be applicable to the Liability.

C. Consultant's indemnifications and obligations under this section shall survive the expiration or termination of this Agreement.

10. **INSURANCE**

A. General Requirements. On or before the commencement of the term of this Agreement, Consultant shall furnish VCE with certificates showing the type, amount, class of operations covered, effective dates and dates of expiration of insurance coverage in compliance with the requirements listed in Exhibit "D," which is attached hereto and incorporated herein by this reference. Such insurance and certificates, which do not limit Consultant's indemnification obligations under this Agreement, shall also contain substantially the following statement: "Should any of the above insurance covered by this certificate be canceled or coverage reduced before the expiration date thereof, the insurer affording coverage shall provide thirty (30) days' advance written notice to VCE by certified mail, Attention: Chief Executive Officer." Consultant shall maintain in force at all times during the performance of this Agreement all appropriate coverage of insurance required by this Agreement with an insurance company that is acceptable to VCE and licensed to do insurance business in the State of California. Endorsements naming VCE as additional insured shall be submitted with the insurance certificates.

B. Subrogation Waiver. Consultant agrees that in the event of loss due to any of the perils for which he/she has agreed to provide comprehensive general and automotive liability insurance, Consultant shall look solely to his/her/its insurance for recovery. Consultant hereby grants to VCE, on behalf of any insurer providing comprehensive general and automotive liability insurance to either Consultant or VCE with respect to the services of Consultant herein, a waiver of any right to subrogation which any such insurer of Consultant may acquire against VCE by virtue of the payment of any loss under such insurance.

C. Failure to secure or maintain insurance. If Consultant at any time during the term hereof should fail to secure or maintain the foregoing insurance, VCE shall be permitted to obtain such insurance in the Consultant's name or as an agent of the Consultant and shall be compensated by the Consultant for the costs of the insurance premiums at the maximum rate permitted by law and computed from the date written notice is received that the premiums have not been paid.

D. Additional Insured. VCE, its members, officers, employees and volunteers shall be named as additional insureds under all insurance coverages, except any professional liability insurance, required by this Agreement. The naming of an additional insured shall not affect any recovery to which such additional insured would be entitled under this policy if not named as such additional insured. An additional insured named herein shall not be held liable for any premium, deductible portion of any loss, or expense of any nature on this policy or any extension thereof. Any other insurance held by an additional insured shall not be required to contribute anything toward any loss or expense covered by the insurance provided by this policy.

E. Sufficiency of Insurance. The insurance limits required by VCE are not represented as being sufficient to protect Consultant. Consultant is advised to confer with Consultant's insurance broker to determine adequate coverage for Consultant.

F. Maximum Coverage and Limits. It shall be a requirement under this Agreement that any available insurance proceeds broader than or in excess of the specified minimum Insurance coverage requirements and/or limits shall be available to the additional insureds. Furthermore, the requirements for coverage and limits shall be the minimum coverage and limits specified in this Agreement, or the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the named insured, whichever is greater.

11. **CONFLICT OF INTEREST**

Consultant warrants that it, its officers, employees, associates and subcontractors, presently have no interest, and will not acquire any interest, direct or indirect, financial or otherwise, that would conflict in any way with the performance of this Agreement, and that it, its officers, employees, associates and subcontractors, will not employ any person having such an interest. Consultant and its officers, employees, associates and subcontractors, if any, shall comply with all conflict of interest statutes of the State of California applicable to Consultant's services under this Agreement, including the Political Reform Act (Gov. Code § 81000, et seq.) and Government Code Section 1090. During the term of this Agreement, Consultant may perform similar services for other clients, but Consultant and its officers, employees, associates and subcontractors shall not, without the VCE Representative's prior written approval, perform work for another person or entity for whom Consultant is not currently performing work that would require Consultant or one of its officers, employees, associates or subcontractors to abstain from a decision under this Agreement pursuant to a conflict of interest statute. Consultant shall incorporate a clause substantially similar to this section into any subcontract that Consultant executes in connection with the performance of this Agreement. Consultant understands that it may be required to fill out a conflict of interest form if the services provided under this Agreement require Consultant to make certain governmental decisions or serve in a staff VCE, as defined in Title 2, Division 6, Section 18700 of the California Code of Regulations.

12. **PROHIBITION AGAINST TRANSFERS**

Consultant shall not assign, sublease, hypothecate, or transfer this Agreement, or any interest therein, directly or indirectly, by operation of law or otherwise, without prior written consent of VCE. Any attempt to do so without such consent shall be null and void, and any assignee, sublessee, pledgee, or transferee shall acquire no right or interest by reason of such attempted assignment, hypothecation or transfer. However, claims for money by Consultant from VCE under this Agreement may be assigned to a bank, trust company or other financial institution without prior written consent. Written notice of such assignment shall be promptly furnished to VCE by Consultant.

The sale, assignment, transfer or other disposition of any of the issued and outstanding capital stock of Consultant, or of the interest of any general partner or joint venturer or syndicate member or cotenant, if Consultant is a partnership or joint venture or syndicate or cotenancy, which shall result in changing the control of Consultant, shall be construed as an assignment of this Agreement. Control means fifty percent (50%) or more of the voting power of the corporation.

13. **SUBCONTRACTOR APPROVAL**

Unless prior written consent from VCE is obtained, only those persons and subcontractors whose names are attached to this Agreement shall be used in the performance of this Agreement.

In the event that Consultant employs subcontractors, such subcontractors shall be required to furnish proof of workers' compensation insurance and shall also be required to carry general, automobile and professional liability insurance in substantial conformity to the insurance carried by Consultant. In addition, any work or services subcontracted hereunder shall be subject to each provision of this Agreement.

Consultant agrees to include within their subcontract(s) with any and all subcontractors the same requirements and provisions of this Agreement, including the indemnity and insurance requirements, to the extent they apply to the scope of the subcontractor's work. Subcontractors hired by Consultant shall agree to be bound to Consultant and VCE in the same manner and to the same extent as Consultant is bound to VCE under this Agreement. Subcontractors shall agree to include these same provisions within any sub-subcontract. Consultant shall provide a copy of the Indemnity and Insurance provisions of this Agreement to any subcontractor. Consultant shall require all subcontractors to provide valid certificates of insurance and the required endorsements prior to commencement of any work and will provide proof of compliance to VCE.

14. **REPORTS**

A. Each and every report, draft, work product, map, record and other document, hereinafter collectively referred to as "Report", reproduced, prepared or caused to be prepared by Consultant pursuant to or in connection with this Agreement, shall be the exclusive property of VCE. Consultant shall not copyright any Report required by this Agreement and shall execute appropriate documents to assign to VCE the copyright to Reports created pursuant to this Agreement. Any Report, information and data acquired or required by this Agreement shall become the property of VCE, and all publication rights are reserved to VCE. Consultant may retain a copy of any Report furnished to VCE pursuant to this Agreement.

B. All Reports prepared by Consultant may be used by VCE in execution or implementation of: (1) The original project for which Consultant was hired; (2) Completion of the original project by others; (3) Subsequent additions to the original project; and/or (4) Other VCE projects as VCE deems appropriate in its sole discretion.

C. Consultant shall, at such time and in such form as VCE may require, furnish reports concerning the status of services required under this Agreement.

D. All Reports shall also be provided in electronic format, both in the original file format (e.g., Microsoft Word) and in PDF format.

E. No Report, information or other data given to or prepared or assembled by Consultant pursuant to this Agreement that has not been publicly released shall be made available to any individual or organization by Consultant without prior approval by VCE.

F. VCE shall be the owner of and shall be entitled upon request to immediate possession of accurate reproducible copies of Reports or other pertinent data and information gathered or computed by Consultant prior to termination of this Agreement or upon completion of the work pursuant to this Agreement.

15. **RECORDS**

Consultant shall maintain complete and accurate records with respect to costs, expenses, receipts and other such information required by VCE that relate to the performance of services under this Agreement, in sufficient detail to permit an evaluation of the services and costs. All such records shall be clearly identified and readily accessible. Consultant shall provide free access to such books and records to the representatives of VCE or its designees at all proper times, and gives VCE the right to examine and audit same, and to make transcripts therefrom as necessary, and to allow inspection of all work, data, documents, proceedings and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a minimum period of five (5) years after Consultant receives final payment from VCE for all services required under this agreement

16. **PARTY REPRESENTATIVES**

The Director of Power Services ("VCE Representative") shall represent VCE in all matters pertaining to the services to be performed under this Agreement. James Himelic (Consultant Representative") shall represent Consultant in all matters pertaining to the services to be performed under this Agreement.

17. **INFORMATION AND DOCUMENTS**

A. Consultant covenants that all data, reports, documents, discussion, or other information (collectively "Data") developed or received by Consultant or provided for performance of this Agreement are deemed confidential and shall not be disclosed or released by Consultant without prior written authorization by VCE. VCE shall grant such authorization if applicable law requires disclosure. Consultant, its officers, employees, agents, or subcontractors shall not without written authorization from the VCE Representative or unless requested in writing by VCE's counsel, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement or relating to any project or property located within VCE. Response to a subpoena or court order shall not be considered "voluntary," provided Consultant gives VCE notice of such court order or subpoena.

B. Consultant shall promptly notify VCE should Consultant, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed thereunder or with respect to any project or property located within VCE. VCE may, but has no obligation to, represent Consultant or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with VCE and to provide VCE with the opportunity to review any response to discovery requests provided by Consultant. However, VCE's right to review any such response does not imply or mean the right by VCE to control, direct or rewrite the response.

C. In the event VCE gives Consultant written notice of a "litigation hold", then as to all data identified in such notice, Consultant shall, at no additional cost to VCE, isolate and preserve all such data pending receipt of further direction from VCE.

D. Consultant's covenants under this section shall survive the expiration or termination of this Agreement.

18. NOTICES

Any notice, consent, request, demand, bill, invoice, report or other communication required or permitted under this Agreement shall be in writing and conclusively deemed effective: (a) on personal delivery, (b) on confirmed delivery by courier service during Consultant's and VCE's regular business hours, or (c) three Business Days after deposit in the United States mail, by first class mail, postage prepaid, and addressed to the Party to be notified as set forth below:

TO VCE:
Valley Clean Energy Alliance
604 Second Street
Davis, CA 95616
Attention: Chief Executive Officer

TO CONSULTANT:
James Himelic
First Principles Advisory, LLC
1116 Sills Court #2
Capitola, CA 95010

19. TERMINATION

In the event Consultant fails or refuses to perform any of the provisions hereof at the time and in the manner required hereunder, Consultant shall be deemed in default in the performance of this Agreement. If Consultant fails to cure the default within the time specified (which shall be determined by VCE but shall be not less than 10 days) and according to the requirements set forth in VCE's written notice of default, and in addition to any other remedy available to VCE by law, the VCE Representative may terminate the Agreement by giving Consultant written notice thereof, which shall be effective immediately. The VCE Representative shall also have the option, at its sole discretion and without cause, of terminating this Agreement by giving seven (7) calendar days' prior written notice to Consultant as provided herein. Upon receipt of any notice of termination, Consultant shall immediately discontinue performance. If VCE shall fail to fulfill in a timely and proper manner its obligations under this Agreement, Consultant shall thereupon have the right to terminate this Agreement if such violation is not corrected within ten (10) days after submitting written notice to VCE. In the event of such termination, Consultant shall be entitled to receive just and equitable compensation, not to exceed the agreed amount for services provided before termination, for any satisfactory work completed on such documents and other materials prior to receipt of notice of default.

In the event of VCE's termination of this Agreement due to no fault or failure of performance by Consultant, VCE shall pay Consultant for services satisfactorily performed up to the effective date of termination. Upon termination, Consultant shall immediately deliver to VCE any and all copies of studies, sketches, drawings, computations, and other material or products, whether or not completed, prepared by Consultant or given to Consultant, in connection with this Agreement. Such materials shall become the property of VCE. Consultant shall have no other claim against VCE by reason of such termination, including any claim for compensation.

20. **COMPLIANCE WITH LAWS**

Consultant shall keep itself informed of all applicable federal, state and local laws, ordinances, codes, regulations and requirements which may, in any manner, affect those employed by it or in any way affect the performance of its services pursuant to this Agreement. Consultant shall, at all times, observe and comply with all such laws and regulations. VCE, and its officers and employees, shall not be liable at law or in equity by reason of the failure of the Consultant to comply with this paragraph.

Consultant represents and agrees that all personnel engaged by Consultant in performing services are and shall be fully qualified and are authorized or permitted under state and local law to perform such services. Consultant represents and warrants to VCE that it has all licenses, permits, certificates, qualifications, and approvals required by law to provide the services and work required to perform services under this Agreement, including a business license. Consultant further represents and warrants that it shall keep in effect all such licenses, permits, and other approvals during the term of this Agreement.

21. **CONFLICT OF LAW**

This Agreement shall be interpreted under, and enforced by the laws of the State of California. The Agreement and obligations of the Parties are subject to all valid laws, orders, rules, and regulations of the authorities having jurisdiction over this Agreement (or the successors of those authorities). Any suits brought pursuant to this Agreement shall be filed with the Superior Court of the County of Yolo, State of California.

22. **ADVERTISEMENT**

Consultant shall not post, exhibit, display or allow to be posted, exhibited, displayed any signs, advertising, show bills, lithographs, posters or cards of any kind pertaining to the services performed under this Agreement unless prior written approval has been secured from VCE to do otherwise.

23. **WAIVER**

A waiver by VCE of any breach of any term, covenant, or condition contained herein shall not be deemed to be a waiver of any subsequent breach of the same or any other term, covenant, or condition contained herein, whether of the same or a different character.

24. **INTEGRATED CONTRACT**

This Agreement represents the full and complete understanding of every kind or nature whatsoever between the Parties, and all preliminary negotiations and agreements of whatsoever kind or nature are merged herein. No verbal agreement or implied covenant shall be held to vary the provisions hereof. Any modification of this Agreement will be effective only by a written document signed by both VCE and Consultant.

25. **AUTHORITY**

The individual(s) executing this Agreement represent and warrant that they have the legal authority and authority to do so on behalf of their respective legal entities.

26. **INSERTED PROVISIONS**

Each provision and clause required by law to be inserted into the Agreement shall be deemed to be enacted herein, and the Agreement shall be read and enforced as though each were included herein. If through mistake or otherwise, any such provision is not inserted or is not correctly inserted, the Agreement shall be amended to make such insertion on application by either Party.

27. **CAPTIONS AND TERMS**

The captions in this Agreement are for convenience only, are not a part of the Agreement and in no way affect, limit or amplify the terms or provisions of this Agreement.

28. **VCE'S RIGHTS TO EMPLOY OTHER CONSULTANTS**

VCE reserves the right to employ other consultants in connection with the subject matter of the Scope of Services.

29. **EXHIBITS**

The Exhibits referenced in this Agreement are attached hereto and incorporated herein by this reference as though set forth in full in the Agreement. If any inconsistency exists or arises between a provision of this Agreement and a provision of any exhibit, or between a provision of this Agreement and a provision of Consultant's proposal, the provisions of this Agreement shall control.

30. **FORCE MAJEURE**

Consultant shall not be liable for any failure to perform its obligations under this

Agreement if Consultant presents acceptable evidence, in VCE's reasonable judgment, that such failure was due to acts of God, pandemics, embargoes, inability to obtain labor or materials or reasonable substitutes for labor or materials, governmental restrictions, governmental regulations, governmental controls, judicial orders, enemy or hostile governmental action, civil commotion, fire or other casualty, or other causes beyond Consultant's reasonable control and not due to any act by Consultant.

31. **RESERVED**

32. **ATTORNEY FEES**

In any litigation or other proceeding by which a Party seeks to enforce its rights under this Agreement (whether in contract, tort or both) or seeks a declaration of any rights or obligations under this Agreement, the prevailing Party shall be entitled to recover all attorneys' fees, experts' fees, and other costs actually incurred in connection with such litigation or other proceeding, in addition to all other relief to which that Party may be entitled.

33. **SEVERABILITY**

If any provision in this Agreement is held by a court of competent jurisdiction to be illegal, invalid, void, or unenforceable, the remaining provisions will nevertheless continue in full force without being impaired or invalidated in any way.

34. **SUCCESSORS AND ASSIGNS**

The terms and conditions of this Agreement shall be binding on the successors and assigns of the Parties to this Agreement.

35. **NO THIRD PARTY BENEFICIARIES INTENDED**

This Agreement is made solely for the benefit of the Parties to this Agreement and their respective successors and assigns, and no other person or entity may have or acquire a right by virtue of this Agreement.

36. **COUNTERPARTS; FACSIMILE/PDF/ELECTRONIC SIGNATURE**

This Agreement may be executed in multiple counterparts, all of which shall be deemed an original, and all of which will constitute one and the same instrument. The Parties agree that a facsimile, PDF or electronic signature may substitute for and have the same legal effect as the original signature.

37. **DRAFTING PARTY**

This Agreement shall be construed without regard to the Party that drafted it. Any ambiguity shall not be interpreted against either Party and shall, instead, be resolved in accordance with other applicable rules concerning the interpretation of contracts.

IN WITNESS WHEREOF, the Parties have caused the Agreement to be executed as of the date set forth above.

FIRST PRINCIPLES ADVISORY LLC

By: James Himelic
Name: James Himelic
Title: Founder
Date: 2/3/2026

VALLEY CLEAN ENERGY ALLIANCE
A Joint Powers Authority

By: ____________________________
Name: Mitch Sears
Title: Chief Executive Officer
Date: _February 3, 2026______

APPROVED AS TO FORM:

Inder Khalsa
Counsel for VCE

EXHIBIT A

STATEMENT OF WORK

Project Overview

First Principles Advisory (FPA) will provide portfolio optimization modeling services to Valley Clean Energy (VCE) in support of VCE's 2026 Integrated Resource Plan filing with the California Public Utilities Commission. FPA will use the GenX capacity expansion model to develop optimized resource portfolios and prepare required CPUC compliance deliverables.

For any portfolio optimization process to be successful, two requirements must be met: 1) a complete and accurate identification of the short- and long-term portfolio objectives and 2) the effective translation of these objectives into the appropriate model constraints. One of the key objectives of the ongoing meetings between VCE and First Principles will be to ensure that VCE's portfolio targets and goals are accurately represented in the models prior to optimizing the local portfolio(s).

Term

January 2026 through May 2026

Scope of Work

Task 1: Portfolio Optimization Modeling

First Principles is able to present VCE with a robust set of portfolio options for a variety of scenarios. The firm will include supporting commentary that outlines the key trade-offs identified for each scenario evaluated. FPA will configure and execute portfolio optimization runs using the GenX portfolio optimization model to identify least-cost resource portfolios that satisfy CPUC planning requirements and VCE's policy objectives.

- Configure GenX model with VCE-specific inputs including load forecasts, existing resource portfolio, and procurement constraints
- Develop one (1) conforming portfolio meeting CPUC reference system plan requirements (included in base $50,000 fee)
- Option to develop two (2) alternative non-conforming portfolios reflecting VCE's preferred resource strategies ($5,000 per scenario, subject to mutual agreement by both parties)
- Document modeling assumptions, methodology, and results for each scenario

Task 2: CPUC Data Templates

FPA will populate required CPUC data templates based on portfolio optimization results.

- Resource Data Template (RDT): Complete resource-level data for selected portfolio(s)
- Clean System Power (CSP) Calculator: Populate hourly generation and emissions data

Task 3: Technical Narrative

FPA will prepare technical narrative sections related to portfolio optimization methodology and results for inclusion in VCE's IRP filing.

- Modeling approach and tool description
- Key assumptions and input data sources
- Portfolio results and resource selection rationale
- Draft narrative for the reliability section of the filing

Task 4: Project Management

FPA will participate in project coordination activities with VCE and its designated project partners, including EQ Research and The Energy Authority (TEA). First Principles has been an active attendee in previous CPUC-led IRP workshops and plans to continue its participation in this meeting series for the 2026 cycle to stay informed on any changes enacted by the CPUC prior to final submission.

- Attend regular project team meetings and coordination calls
- Respond to questions and provide status updates
- Coordinate deliverable handoffs and review cycles

Client Responsibilities

VCE and/or its designated project partners shall provide FPA with the following inputs in accordance with mutually agreed timelines:

- Load forecasts and customer growth projections
- Existing resource portfolio data (contracts, owned assets, procurement commitments)
- Policy constraints and procurement preferences
- Review and approval of draft deliverables within agreed timeframes

FPA shall not be held responsible for delays, incomplete deliverables, or non-compliance with CPUC filing requirements resulting from VCE's or its designated partners' failure to provide required inputs by specified deadlines. In the event of delayed or incomplete inputs, FPA will notify VCE promptly and work collaboratively to adjust project timelines or scope as necessary.

Compensation

Services will be provided on a time-and-materials basis at a rate of $300 per hour, with a not-to-exceed budget as specified below.

Task	Hours	Budget
Task 1: Portfolio Optimization Modeling	85	$25,500
Task 2: RDT	10	$3,000

Task	Hours	Budget
Task 2: CSP Workbook	10	$3,000
Task 4: Technical Narrative	40	$12,000
Task 5: Project Management	21.67	$6,500
Total Not-to-Exceed (excluding optional portfolios)	167	$50,000
Optional: Alternative Modeling Exercise I	16.67	$5,000
Optional: Alternative Modeling Exercise II	16.67	$5,000
Total Not-to-Exceed (including optional portfolios)	**200**	**$60,000**

Hours may be reallocated between tasks with mutual agreement, provided the total not-to-exceed amount is not exceeded. FPA will invoice monthly for work performed in the prior month.

Deliverables

Deliverable	Description
Resource Data Template (RDT)	Completed CPUC RDT workbook with resource-level portfolio data
Clean System Power Calculator	Completed CPUC CSP workbook with hourly generation and emissions profiles
Technical Narrative	Draft narrative sections covering modeling methodology and portfolio results
Modeling Documentation	Summary of GenX model configuration, assumptions, and key results

EXHIBIT B

SCHEDULE OF PERFORMANCE

This schedule may be modified with the written approval of VCE.

Task	Begin	Complete	Estimated Hours
1. Initial Portfolio Optimization Modeling	Early Feb	End of Feb	Initial: 50 *Note this time estimate assumes VCE can provide the necessary input data to First Principles Advisory such that minimal preprocessing is required to ensure the appropriate degree of data quality.
2. Initial CPUC Data Templates (RDT & CSP).	Mid-March	End of March	Initial: 10 *Note this time estimate assumes VCE can provide the necessary input data to First Principles Advisory such that minimal preprocessing is required to ensure the appropriate degree of data quality.
3. Final Portfolio Optimization Modeling	Mid March	Mid April	Initial: 35
4. Final CPUC Templates (RDT & CSP)	Mid April	End of April	Initial: 10
5. Technical Narrative	Early May	Mid-May	Initial: 40
6. Optional Portfolio Modeling	Beginning of May	Mid-May	Initial: 33
7. Project Management	February to	End of May	Initial: 21.67

EXHIBIT C

COMPENSATION

VCE shall compensate Consultant for professional services in accordance with the terms and conditions of this Agreement based on the rates and compensation schedule set forth below. Compensation will be based on a time and materials ("T&M") basis and shall be calculated based on the hourly rates set forth below up to the not to exceed budget amount set forth below. Prior to performing work for any task described in Exhibit A, the Consultant will provide VCE with an updated estimate of the required hours for the task. Should the Consultant require additional hours to complete the task, the Consultant will notify VCE and the Parties will determine how they wish to proceed.

The compensation to be paid to Consultant under this Agreement for all services described in Exhibit "A" and reimbursable expenses shall not exceed a total of Sixty Thousand and no/100 Dollars ($60,000.00), as set forth below. Any work performed or expenses incurred for which payment would result in a total exceeding the maximum amount of compensation set forth herein shall be at no cost to VCE unless previously approved in writing by VCE.

Rates

Personnel	**Title**	**Hourly**
James Himelic	Founder	$300/hr

Other Applicable Reimbursement Rates:

Particulars	**Rate**
Air Travel Time	$XX.00 / hour
Auto Travel Time (one hour or more)	$XX.00 / hour
Auto Mileage Rate (or current IRS reimbursement rate)	$0.625 / mile
Actual Direct Expenses (Receipts required above $25.00)	Actual Expense
Phone/postage/printing/office materials	No Charge

Total Not to Exceed Amount: $60,000.00 unless amended by written agreement of both parties.

Invoices

Monthly Invoicing: In order to request payment, Consultant shall submit monthly invoices to VCE describing the services performed and the applicable charges (including a summary of the work performed during that period, personnel who performed the services, hours worked, task(s) for which work was performed). VCE shall pay all undisputed invoice amounts within thirty (30) calendar days after receipt up to the maximum compensation set forth herein. VCE does not pay interest on past due amounts.

Reimbursable Expenses

Administrative, overhead, secretarial time or overtime, word processing, photocopying, in house printing, insurance and other ordinary business expenses are included within the scope of payment for services and are not reimbursable expenses. Travel expenses must be authorized in advance in writing by VCE.

Additional Services

Consultant shall provide additional services outside of the services identified in Exhibit A only by advance written authorization from VCE Representative prior to commencement of any additional services. Consultant shall submit, at the VCE Representative's request, a detailed written proposal including a description of the scope of additional services, schedule, and proposed maximum compensation. Any changes mutually agreed upon by the Parties, and any increase or decrease in compensation, shall be incorporated by written amendments to this Agreement.

EXHIBIT D

INSURANCE REQUIREMENTS AND PROOF OF INSURANCE

Consultant shall maintain the following minimum insurance coverage:

A. **COVERAGE**:

(1) **Workers' Compensation**:
Statutory coverage as required by the State of California.

(2) **Liability**:
Commercial general liability coverage with minimum limits of $1,000,000 per occurrence and $2,000,000 aggregate for bodily injury and property damage. ISO occurrence Form CG 0001 or equivalent is required.

(3) **Automotive**:
Comprehensive automotive liability coverage with minimum limits of $1,000,000 per
accident for bodily injury and property damage. ISO Form CA 0001 or equivalent is required.

(4) **Professional Liability**
Professional liability insurance which includes coverage for the professional acts, errors and omissions of Consultant in the amount of at least $1,000,000.

FIRST AMENDMENT TO THE AGREEMENT FOR PORTFOLIO MODELING BETWEEN VALLEY CLEAN ENERGY ALLIANCE AND FIRST PRINCIPLES ADVISORY, LLC

This First Amendment to the Agreement for Portfolio Modeling ("First Amendment"), is made and entered into as of this 31 day of May 2026, by and between **Valley Clean Energy Alliance**, a Joint Powers Agency, existing under the laws of the State of California ("VCE") and **First Principles Advisory, LLC** ("Consultant"). VCE and Consultant are sometimes individually referred to as "Party" and collectively as "Parties."

RECITALS

Whereas, VCE and Consultant entered into an Agreement for Portfolio Modeling dated February 2, 2026, for the purpose of retaining Consultant to provide portfolio modeling services ("Agreement").

Whereas, VCE and Consultant now desire to extend the term from the original expiration date through July 31, 2026.

Now therefore, for good and valuable consideration, the amount and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Extension of Term. The Parties mutually agree to extend the term of the Agreement from the original expiration date through July 31, 2026.

2. Except as amended by this First Amendment, all other provisions of the Agreement will remain in full force and effect.

3. If any portion of this First Amendment is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

[Signatures on Next Page]

**SIGNATURE PAGE FOR FIRST AMENDMENT
TO THE AGREEMENT FOR PORTFOLIO MODELING
BETWEEN VALLEY CLEAN ENERGY ALLIANCE
AND FIRST PRINCIPLES ADVISORY, LLC**

IN WITNESS WHEREOF, the Parties have entered into this First Amendment as of the 31st day of May 2026.

VALLEY CLEAN ENERGY ALLIANCE

By: ______________________
Mitch Sears
Chief Executive Officer

FIRST PRINCIPLES ADVISORY, LLC

By: James Himelic
Its: Founder
Printed Name: James Himelic

APPROVED AS TO FORM:

By: Inder Khalsa
Inder Khalsa
Counsel for VCE

VALLEY CLEAN ENERGY ALLIANCE

RESOLUTION NO. 2026-___

A RESOLUTION OF THE BOARD OF DIRECTORS OF VALLEY CLEAN ENERGY ALLIANCE RATIFYING THE FIRST AMENDMENT TO THE AGREEMENT WITH FIRST PRINCIPLES ADVISORY, LLC FOR INTEGRATED RESOURCE PLANNING PORTFOLIO MODELING SERVICES

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; and,

WHEREAS, on February 12, 2026, the Board ratified an agreement with First Principles Advisory, LLC (First Principles) to provide Integrated Resource Plan (IRP) portfolio modeling services; and,

WHEREAS, at the time the Board ratified the agreement, the deadline for filing the IRP at the California Public Utilities Commission (CPUC) was June 1, 2026; and,

WHEREAS, on March 9, 2026, the CPUC extended deadline for filing the IRP to August 10, 2026; and,

WHEREAS, VCE required IRP modeling services through July 2026, beyond the original term of the agreement with First Principles; and

WHEREAS, the Executive Officer signed an amendment to the agreement with First Principles extending the expiration date of the agreement to July 31, 2026, with an effective date of May 31, 2026.

///

///

///

///

///

///

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

1. Ratifies VCE entering into the First Amendment to the services Agreement executed on February 3, 2026, with First Principles Advisory, LLC, extending the expiration date of the agreement to July 31, 2026.

PASSED, APPROVED, AND ADOPTED, at a regular meeting of the Valley Clean Energy Alliance, held on the _____ day of ____________ 2026 by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

____
Jesse Loren, VCE Chair

____
Alisa M. Lembke, VCE Board Secretary

Attachment A: First Principles Advisory, LLC agreement
Attachment B: First Amendment to First Principles Advisory, LLC agreement

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 13

To: Board of Directors

From: Mitch Sears, Chief Executive Officer

Subject: Designation of Alternate to California Community Power Board

Date: September 10, 2026

RECOMMENDATION

Authorize Chief Executive Officer to designate an alternate to the California Community Power Agency (CC Power) Board of Directors.

BACKGROUND & DISCUSSION

VCE is a member of California Community Power (CC Power), a Joint Powers Agency comprised of nine California Community Choice Aggregators (CCAs). The agency enables its members to combine their buying power to procure new, cost-effective clean energy and reliability resources and provide joint services to members. CC Power members represent 2.6 million customers across more than 111 municipalities from the North Coast to the Central Valley to the Central Coast (cacommunitypower.org).

VCE joined CC Power in February 2021. Per section 4.02 of the CC Power JPA agreement (Appointments and Vacancies), member agencies are permitted to appoint an alternate to the CC Power Board.

> *Section 4.02 Appointment and Vacancies. Each Director shall be the Chief Executive Officer, General Manager, or designee of the Chief Executive Officer or General Manager of each Member and shall be appointed by and serve at the pleasure of the Member that the Director represents, and may be removed as Director by such Member at any time. If at any time a vacancy occurs on the Board, a replacement shall be appointed by the Member to fill the position of the previous Director in accordance with the provisions of this Article IV within 60 days of the date that such position becomes vacant or the Member shall be subject to the exclusion procedures in Section 3.04(c) above. Each Director may appoint an alternate to serve in their absence.*

In the event VCE's Chief Executive Officer is unable to attend a CC Power Board meeting, the alternate would step in. Staff is recommending that the Board authorize the CEO to designate VCE's alternate as one of the following: COO, CFO, or Director of Power Services.

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 14

TO: Board of Directors

FROM: Chad Curran, Director of Power Services
Mitch Sears, Chief Executive Officer

SUBJECT: Gibson Project Purchase - Due Diligence and Negotiation

DATE: September 10, 2026

RECOMMENDATION
Authorize staff to proceed with discussions and due diligence regarding a potential acquisition of the Gibson Solar and Battery Storage Project and to negotiate appropriate purchase rights with Emeren US, LLC, subject to returning to the Board for final approval of any transaction.

SUMMARY
At the April 9, 2026, meeting, the Board approved[1] the Second Amended and Restated Power Purchase Agreement for the Gibson project, including a right of first offer (ROFO) to purchase the facility during the delivery term, if Emeren seeks to sell the project.

Emeren has recently informed VCE that prospective purchasers evaluated the opportunity to purchase the project but ultimately did not move forward. Emeren subsequently approached VCE regarding a potential acquisition opportunity consistent with the purchase rights negotiated under the existing agreement.

The opportunity to evaluate ownership of the Gibson project aligns with VCE's long-term strategic objectives and may provide additional value and flexibility for VCE and its customers. Potential benefits include access to available federal incentives, avoidance of redevelopment risks, and the potential for schedule and cost savings compared to replacement resource alternatives.

ANALYSIS
The Gibson project is a strategically important local renewable energy and battery storage project that supports VCE's goals related to local energy development, reliability, and community resilience. The project has completed major permitting, interconnection, and development milestones, and remains an important component of VCE's long-term resource strategy. The Gibson project is forecast to provide approximately 8% of VCE's project load, so it provides a material contribution toward meeting VCE's strategic plan goals for providing its customers with renewable and carbon-free energy.

---

[1] https://valleycleanenergy.org/wp-content/uploads/Item-14-Amended-Restated-Renewable-Gibson-PPA-4-9-26.pdf

However, delays in securing financing put the development timeline and the commercial viability of the project at risk. Given the project's importance to VCE's portfolio and VCE's existing contractual rights, Staff believe it is prudent to further evaluate a potential ownership opportunity. Staff propose to work with Emeren to secure the right of first refusal or similar priority purchase right while Emeren continues to market the project to other prospective buyers. During this period, staff would conduct financial, legal, technical, and operational due diligence to determine whether project ownership would be in VCE's and its customers' best interests.

The recommended evaluation would identify and assess financial and operational benefits and risks to inform VCE decisions related to ownership of the project. Ownership of the project may provide long-term value to VCE, particularly if federal tax incentives available through the Inflation Reduction Act (IRA) direct pay provisions can be successfully realized. Even if such incentives are not ultimately available, acquiring an advanced-stage project may offer schedule and cost advantages when compared to developing or contracting for replacement project with similar local renewable energy and storage attributes.

CONCLUSION

Staff recommend authorization to proceed with due diligence and negotiations regarding a potential acquisition of the Gibson project and to return to the Board with findings and any proposed transaction terms for consideration and approval.

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 16

TO: Board of Directors

FROM: Chad Curran, Director of Power Services

SUBJECT: Accept and attest to the veracity of VCE's 2025 Power Source Disclosure Reports for the Base Green, Standard Green, and UltraGreen products and 2025 Power Content Label

DATE: September 10, 2026

RECOMMENDATION:
Attest to the veracity of the information presented in Valley Clean Energy's 2025 Power Source Disclosure Annual Reports and Power Content Label for the Base Green, Standard Green, and UltraGreen products.

BACKGROUND:
California Public Utilities Code requires all retail sellers of electric energy, including VCE, to disclose "accurate, reliable, and simple-to-understand information on the sources of energy, and the associated emissions of greenhouse gases," that are delivered to their respective customers.[1] Applicable regulations direct retail sellers to provide such communications no later than October 1st of each year. The format for requisite communications is highly prescriptive, offering little flexibility to retail sellers when presenting such information to customers. This format has been termed the "Power Content Label" by the California Energy Commission (CEC).

Information presented in the Power Content Label includes the appropriate share of total energy supply based on resource type, including both renewable and conventional fuel sources. In the event that a retail seller meets a certain percentage of its supply obligation from unspecified resources, the report must identify such purchases as "unspecified sources of power." "Unspecified sources of power" refers to electricity that cannot be sourced back to a specific generator, such as energy purchased through open market transactions.

During the 2025 calendar year, VCE delivered a substantial portion of its electric energy supply from various renewable energy sources, including eligible hydroelectric and solar resources. Table 1 below summarizes the following for the 2025 calendar year:

[1] California Public Utilities Code Section 398.1(b).

- VCE Base Green customers: 48% of the energy delivered was from unspecified power, with an overall greenhouse gas emissions intensity of 453 lbs CO_2e/MWh.
- VCE Standard Green customers (default energy product): 100% of the energy delivered was from renewable and zero-carbon energy resources, 87% from RPS eligible renewable energy, with a greenhouse gas emissions intensity of 0 lbs CO_2e/MWh.
- UltraGreen customers: 100% of the energy delivered was generated from renewable and zero-carbon energy resources, 100% also being RPS eligible renewable energy, with a greenhouse gas emissions intensity of 0 lbs CO_2e/MWh.

Table 1 – VCE 2025 Power Content Summary

Product	Number of VCE Customers	RPS eligible Content	Zero-Carbon Content	Unspecified Content	GHG Emissions Intensity (lbs CO_2e/MWh)
UltraGreen		100%	0%	0%	0
Standard Green		87%	13%	0%	0
Base Green		52%	0%	48%	453

Note: Standard Green includes allocations of zero-carbon attributes from Pacific Gas & Electric Company, including 8% large hydroelectric and 5% nuclear.

A copy of VCE's Power Content Label listing the energy resources used during 2025 is attached.

Consistent with applicable regulations and CEC guidance, VCE will complete required customer communications in accordance with the December 31, 2026, deadline. All customers currently enrolled in the VCE program will receive the Power Content Label via mail or e-mail, as applicable.

VCE ATTESTATION:
To fulfill its Power Content Label reporting obligation, VCE may provide the CEC with the Board's attestation regarding the veracity of the information presented in VCE's 2025 Power Source Disclosure Annual Reports and Power Content Label for the Base Green, Standard Green, and UltraGreen products. Staff recommends VCE self-certify the Base Green, Standard Green, and UltraGreen products in lieu of submitting them to a third-party Certified Public Accountant for a formal audit. VCE's technical consultants (The Energy Authority) prepared the Power Source Disclosure annual reports, which were subsequently reviewed by another VCE consultant (EQ Research). EQ Research's review, as detailed in the attached report, verified that the information contained in the annual reports and Power Content Label is accurate.

Based on the foregoing, staff requests that the Board accept this determination and attest to the veracity of the information included in VCE's Power Source Disclosure annual reports and Power Content Label for the Standard Green and UltraGreen products for the 2025 calendar year.

ATTACHMENTS:

- EQ Research Report re: 2025 Power Source Disclosure Annual Reports and Power Content Label
- 2025 Annual Power Source Disclosure Report and Power Content Label data for the Base-, Standard-, and UltraGreen Products

Valley Clean Energy Alliance

POWER SOURCE DISCLOSURE INDEPENDENT REVIEW OF

STANDARD GREEN, ULTRAGREEN, AND BASE GREES PRODUCTS

FOR REPORTING YEAR 2025

To:	Chad Curran, Director of Power Services
From:	Miriam Makhyoun, CEO and Nikhil Tyagi, Senior Analyst, EQ Research, LLC
Date:	August 10, 2026

Introduction

Valley Clean Energy Alliance (VCE) has engaged EQ Research, LLC (EQ Research) to assist with an independent review of VCE's Base Green, Standard Green, and UltraGreen Power Source Disclosure (PSD) Annual Reports (together, the "Annual Reports") and Power Content Label (PCL) for the year ending December 31, 2025. EQ Research performed the procedures enumerated below to assist VCE with complying with the auditing and verification requirements of the PSD Program, as defined in Section 1394.B of the California Code of Regulations, Title 20.

EQ Research obtained the underlying documentation[1] used by VCE's consultant, The Energy Authority (TEA), to complete the Annual Reports and accepts the accuracy of the information provided by VCE and TEA. EQ Research did not access VCE's Western Renewable Energy Generation Information System (WREGIS) account information to verify the authenticity of the information provided by VCE but was provided an export of information from WREGIS.[2]

---

[1] All files referenced in this report can be accessed at: https://eq-research.sharefile.com/public/share/web-s392efd1e2e084a06bfa7d7892c4cf086

[2] See the file entitled, "VCE 2025 WREGIS RETIREMENT REPORT" in the ShareFile link.

Review Procedures and Findings

EQ Research based its detailed review of the Annual Reports on the audit procedures detailed in Section 1394.2(b) of the PSD program regulations. The procedures and associated findings for the Annual Reports are detailed below.

Base Green, Standard Green, and UltraGreen PSD Report Review

Audit Procedures (b)(1)(A)

EQ Research used the following publicly available sources to validate the information in the Annual Reports:

Source 1 (EIA): Energy Information Administration (EIA) Form 923 detailed data, *EIA923_Schedules_2_3_4_5_M_12_2025_Early_Release_30JUN2026*, Page 1 Generation and Fuel Data, accessed on July 1, 2026, from https://www.eia.gov/electricity/data/eia923/

Source 2 (EIA): EIA Form 860 detailed data, *3_1_Generator_Y2025_Early_Release*, Operable tab, accessed on July 1, 2026, from https://www.eia.gov/electricity/data/eia860/

Source 3 (CEC): California Energy Commission (CEC), California's Renewables Portfolio Standard (RPS) Public Search exported to Excel, accessed on July 1, 2026, from https://rps.energy.ca.gov/Pages/Search/SearchApplications.aspx

EQ Research obtained a copy of the 2025 Power Content Label to be provided to VCE customers for the Base Green, Standard Green, and UltraGreen products. EQ Research verified that the resource portfolio percentages listed for each product on the 2025 Power Content Label match the respective percentages listed in the Annual Reports. EQ Research also verified that the greenhouse gas emissions intensity for each product listed on the Power Content Label match those calculated in the Annual Reports.

EQ Research agreed the specified purchases[3] by (a) facility name, (b) facility number provided by EIA and/or RPS ID, (c) megawatt hours (MWh), and (d) fuel type from the information used to prepare used to prepare the Annual Reports is consistent with what is presented in the Annual Reports[4] with three notes and one minor exception:

- Note 1: The listed EIA Plant ID # 64489 for Resurgence Solar I, LLC includes two rows in the EIA data: one for the battery portion showing negative MWh and another for the solar portion showing only positive MWh. The solar portion was used to validate the contents of this report.
- Note 2: The listed EIA Plant ID # P393 for Leeward Renewable Energy's ("Leeward") Willow Spring/Willy 9 Chap 2 is not consistently reported under that EIA ID. In other EIA forms, such as EIA 923, the plant is reported under EIA ID # 64864. TEA informed EQ Research that Leeward combined Willow Springs 3 with Chaparral Springs in approximately the year 2024 and renamed the project Willy 9 Chap 2.
- Note 3: The EIA Plant ID # 6099 represents both units of the Diablo Canyon Power Plant in the EIA data.
- Exception 1: There is no EIA Form 923 generation data for Putah Creek Solar Farm North so the MWh could not be cross verified with EIA data.

EQ Research verified that the MWh listed in the Annual Reports do not exceed the annual MWh from EIA 923 data as expected (see Appendix A. Specified Facility Review Results) with one minor exception:

[3] There were no resales.

[4] This information was checked against information in the following links: Source for RPS IDs: https://rps.energy.ca.gov/Pages/Search/SearchApplications.aspx; Source for EIA IDs: https://www.eia.gov/electricity/data/eia923/. (Last accessed July 1, 2026).

- Exception 1: There is an overage of 0.89 MWh reported in the PSD Annual Reports for EIA Plant ID # 50129 Indian Valley Hydro.

EQ Research also tested the mathematical accuracy of each Annual Report and noted no exceptions.

Audit Procedures (b)(1)(B)(1)

EQ Research agreed the facility name, facility numbers provided by EIA and RPS, MWh, and the fuel type from the invoice match the information used to prepare the Annual Reports.

EQ Research verified the above information by comparing information from 57 invoices for power purchases represented in the Annual Reports along with the CEC and EIA data mentioned above. The invoices were for purchases of 588,213 MWh out of the total 723,893 MWh reported (81% of the portfolio). TEA confirms there are additional invoices not included in the sample EQ Research reviewed which cover the remaining 19% of the MWhs reported in the Annual Reports. The sample of 57 invoices includes full records of deliveries from the following PCC1 resources: Aquamarine Westside, LLC, Putah Creek Solar Farm North, Resurgence Solar I, LLC, Indian Valley Hydro, and Willy 9 Chap 2.

See Appendix B. Sample of Purchases VCE used to Prepare Annual Reports.

Audit Procedures (b)(1)(B)(2)

This is not applicable since there are no facilities in the Annual Reports owned by VCE.

Audit Procedures (b)(1)(B)(3)

EQ Research verified a match between the date of generation from the 57 invoices in the sample to the reporting period of the information used to prepare Annual Reports.

See the “Energy Delivery Term” column in Appendix B. Sample of Purchases VCE used to Prepare Annual Reports and review the PCC1 delivery dates.

Audit Procedures (b)(1)(B)(4)

This is not applicable since there are no unbundled RECs reported on the annual resource report.

Audit Procedures (b)(1)(C)

Section 1393.1(d)(2) provides that the emissions from purchases of eligible firmed-and-shaped products under a purchase agreement or ownership arrangement executed prior to January 1, 2019 are excluded from a portfolio’s emissions intensity calculation. As shown in the Annual Reports, VCE did not claim any purchases from firmed-and-shaped imports for the Base Green, Standard Green, or UltraGreen products.

This report is intended solely for the information and use of the specified parties listed above and is not intended to be and should not be used by anyone other than those specified parties

EQ Research

Appendix A. Specified Facility Review Results

RPS	Ultra Green	Standard Green	EIA Plant ID	RPS ID	Facility Name Vlookup using EIA ID	Facility Name VLOOKUP using RPS ID	Facility Name from VCEA Annual Reports	EIA Net Generation (MWh)	Gross MWh Generation Procured by VCEA	Net MWh Procured by VCEA	% Resource MWh VCEA Reported of Total EIA MWh	RPS ID Technology	EIA Technology	VCEA Fuel Type
1		1	64489	65013A	Resurgence Solar	Resurgence Solar I, LLC	Resurgence Solar I, LLC	266,026	266,030	234,179	88.0%	Photovoltaic	Solar Photovoltaic	Solar
1		1	62547	64553A	Aquamarine	Aquamarine Westside, LLC	Aquamarine Westside, LLC	662,406	132,322	132,322	20.0%	Photovoltaic	Solar Photovoltaic	Solar
1		1	60324	63225A	Willow Spring Solar, LLC	Willow Springs Solar 3	Willy 9 Chap 2	251,421	187,731	169,582	67.4%	Photovoltaic	Solar Photovoltaic	Solar
1	1		66088	64810A	#N/A	Putah Creek Solar Farm North	Putah Creek Solar Farm North	-	2,824	2,824	#DIV/0!	Photovoltaic	Solar Photovoltaic	Solar
1	1	1	50129	60161A	Indian Valley Dam Hydro Projec	Indian Vly Hydro Elec Ptrn.	Indian Valley Hydro	11,173	11,197	11,197	100.2%	Small Hydroelectric	Conventional Hydroelectric	Eligible Hydroelectric
		1	217		Balch 1		Balch #1 PH	71,150	685	481	0.7%		Conventional Hydroelectric	Large Hydroelectric
		1	218		Balch 2		Balch #2 PH	342,259	3,245	2,264	0.7%		Conventional Hydroelectric	Large Hydroelectric
		1	219		Belden		Belden	243,283	2,463	2,463	1.0%		Conventional Hydroelectric	Large Hydroelectric
		1	220		Bucks Creek		Bucks Creek	192,023	1,834	1,037	0.5%		Conventional Hydroelectric	Large Hydroelectric
		1	221		Butt Valley		Butt Valley	145,340	1,388	1,141	0.8%		Conventional Hydroelectric	Large Hydroelectric
		1	222		Caribou 1		Caribou 1	275,729	2,664	1,782	0.6%		Conventional Hydroelectric	Large Hydroelectric
		1	223		Caribou 2		Caribou 2	442,304	4,275	3,227	0.7%		Conventional Hydroelectric	Large Hydroelectric
		1	231		Cresta		Cresta	341,741	3,259	1,599	0.5%		Conventional Hydroelectric	Large Hydroelectric
		1	235		Drum 1		Drum #1	15,101	145	131	0.9%		Conventional Hydroelectric	Large Hydroelectric
		1	236		Drum 2		Drum #2	164,163	1,593	1,466	0.9%		Conventional Hydroelectric	Large Hydroelectric
		1	239		Electra		Electra	291,434	2,834	1,868	0.6%		Conventional Hydroelectric	Large Hydroelectric
		1	240		Haas		Haas	259,070	2,455	2,184	0.8%		Conventional Hydroelectric	Large Hydroelectric
		1	249		James B Black		James B Black	668,423	6,417	3,875	0.6%		Conventional Hydroelectric	Large Hydroelectric
		1	682		Kerckhoff 2		Kerckhoff #2 PH	418,557	4,124	2,169	0.5%		Conventional Hydroelectric	Large Hydroelectric
		1	254		Kings River PH		Kings River	80,771	769	768	1.0%		Conventional Hydroelectric	Large Hydroelectric
		1	265		Pit 1		Pit 1	255,528	2,423	1,356	0.5%		Conventional Hydroelectric	Large Hydroelectric
		1	266		Pit 3		Pit 3	374,621	3,552	1,949	0.5%		Conventional Hydroelectric	Large Hydroelectric
		1	267		Pit 4		Pit 4	396,575	3,780	2,270	0.6%		Conventional Hydroelectric	Large Hydroelectric
		1	268		Pit 5		Pit 5	670,754	6,361	3,778	0.6%		Conventional Hydroelectric	Large Hydroelectric
		1	269		Pit 6		Pit 6	262,476	2,443	1,610	0.6%		Conventional Hydroelectric	Large Hydroelectric
		1	270		Pit 7		Pit 7	438,712	4,165	2,422	0.6%		Conventional Hydroelectric	Large Hydroelectric
		1	272		Poe		Poe	361,186	3,750	2,507	0.7%		Conventional Hydroelectric	Large Hydroelectric
		1	275		Rock Creek		Rock Creek	597,570	5,222	2,878	0.5%		Conventional Hydroelectric	Large Hydroelectric
		1	279		Salt Springs		Salt Springs	113,368	1,085	925	0.8%		Conventional Hydroelectric	Large Hydroelectric
		1	285		Stanislaus		Stanislaus	199,829	2,049	2,049	1.0%		Conventional Hydroelectric	Large Hydroelectric
		1	287		Tiger Creek		Tiger Creek	215,708	2,148	2,036	0.9%		Conventional Hydroelectric	Large Hydroelectric
		1	412		Chicago Park		NID-Chicago Park	65,178	621	513	0.8%		Conventional Hydroelectric	Large Hydroelectric
		1	6099		Diablo Canyon		Diablo Canyon Power Plant 1	8,882,184	37,305	37,305	0.4%		Nuclear	Nuclear
		0	6099		Diablo Canyon		Diablo Canyon Power Plant 2	8,676,210	10,734	10,734	0.1%		Nuclear	Nuclear
							TOTALS	**25,738,446**	**723,893**	**648,893**	**2.52%**			

Appendix B. Sample of Purchases VCE used to Prepare Annual Reports

Invoice File Name	VCEA MWh on Invoice	Energy Delivery Term	Invoice or PO#	PCC1/2/3	Resource	VCEA PCL Total MWh	Invoice Total MWh	Invoice Total >= PCL Total	Delta
AQUA-01-2025	7,930.46	January 2025	AQUA-01-041						
AQUA-02-2025	7,555.49	February 2025	AQUA-01-042						
AQUA-03-2025	8,989.16	March 2025	AQUA-01-043REVI						
AQUA-04-2025	12,482.85	April 2025	AQUA-01-044						
AQUA-05-2025	16,425.20	May 2025	AQUA-01-045						
AQUA-06-2025	16,769.76	June 2025	AQUA-01-046						
AQUA-07-2025	16,790.48	July 2025	AQUA-01-047						
AQUA-08-2025	15,314.26	August 2025	AQUA-01-048						
AQUA-09-2025	12,324.46	September 2025	AQUA-01-049						
AQUA-10-2025	10,443.52	October 2025	AQUA-01-050						
AQUA-11-2025	4,714.71	November 2025	AQUA-01-051						
AQUA-12-2025	2,582.52	December 2025	AQUA-01-052	1	Aquamarine Westside, LLC	132,322.00	132,322.87	TRUE	0.87
25-1	305.92	January 2025	25-1						
25-2	235.31	February 2025	25-2						
25-3	392.61	March 2025	25-3						
25-4	451.98	April 2025	25-4						
25-5	254.30	May 2025	25-5						
25-6	134.06	June 2025	25-6						
25-7	145.38	July 2025	25-7						
25-8	189.83	August 2025	25-8						
25-9	330.75	September 2025	25-9						
25-10	261.44	October 2025	25-10						
25-11	122.22	November 2025	25-11						
25-12	6.10	December 2025	25-12	1	Putah Creek Solar Farm North	2,824.00	2,829.90	TRUE	5.90
Resurgence 1-2025	15,404.59	January 2025	6746						
Resurgence 2-2025	16,446.06	February 2025	7177						
Resurgence 3-2025	21,118.01	March 2025	7594						
Resurgence 4-2025	26,310.67	April 2025	8017						
Resurgence 5-2025	28,841.63	May 2025	8407						
Resurgence 6-2025	30,047.07	June 2025	8766						
Resurgence 7-2025	30,938.25	July 2025	9187						
Resurgence 8-2025	27,056.35	August 2025	9671						
Resurgence 9-2025	22,172.51	September 2025	10075						
Resurgence 10-2025	21,381.98	October 2025	10503						
Resurgence 11-2025	13,380.94	November 2025	10914						
Resurgence 12-2025	12,932.13	December 2025	11277	1	Resurgence Solar I, LLC	234,179.00	266,030.18	TRUE	31,851.18
Leeward 2025-1	10,896.92	January 2025	ARI412_0000061						
Leeward 2025-2	11,157.14	February 2025	ARI412_000006						
Leeward 2025-3	13,619.70	March 2025	ARI412_0000071						
Leeward 2025-4	20,206.27	April 2025	ARI412_0000075						
Leeward 2025-5	19,934.91	May 2025	ARI412_0000077						
Leeward 2025-6	21,989.41	June 2025	ARI412_0000083						
Leeward 2025-7	23,449.71	July 2025	ARI412_0000085						
Leeward 2025-8	20,186.25	August 2025	ARI412_0000090						
Leeward 2025-9	16,392.75	September 2025	ARI412_0000097						
Leeward 2025-10	13,996.00	October 2025	ARI412_00000101						
Leeward 2025-11	8,070.37	November 2025	ARI412_00000105						
Leeward 2025-12	7,130.85	December 2025	ARI412_00000108	1	Willy 9 Chap 2	169,582.00	187,030.27	TRUE	17,448.27
Indian Valley 1-2025	1,655.27	January 2025	-						
Indian Valley 2-2025	556.90	February 2025	-						
Indian Valley 3-2025	1,021.47	March 2025	-						
Indian Valley 4-2025	620.11	April 2025	-						
Indian Valley 5-2025	2,224.02	May 2025	-						
Indian Valley 6-2025	2,152.96	June 2025	-						
Indian Valley 7-2025	2,218.26	July 2025	-						
Indian Valley 8-2025	747.11	August 2025	-						
Indian Valley 12-2025	-	September 2025	-	1	Indian Valley Hydro	11,197.00	11,196.11	FALSE	(0.89)
					TOTALS	**538,907.00**	**588,213.22**	**TRUE**	**49,306.22**

2025 POWER SOURCE DISCLOSURE ANNUAL REPORT

For the Year Ending December 31, 2025

GENERAL INSTRUCTIONS

Retail suppliers are required to use the posted template and are not allowed to make edits to this format.
Please complete the Retail Supplier Name and contact information in column B below.

RETAIL SUPPLIER NAME	Valley Clean Energy Alliance
CONTACT INFORMATION	
NAME	Chad Curran
TITLE	Director of Power Services
MAILING ADDRESS	604 2nd Street
CITY, STATE, ZIP	Davis, CA 95616
PHONE	(530) 446-2750
EMAIL	info@valleycleanenergy.org
WEBSITE URL FOR PCL POSTING	https://valleycleanenergy.org/power-content-labels/

Submit the Annual Report and signed Attestation in PDF format with the Excel version of the Annual Report to PSDprogram@energy.ca.gov.

NOTE: Information submitted in this report is not automatically held confidential. If your company wishes the information submitted to be considered confidential an authorized representative must submit an application for confidential designation (CEC-13), which can be found on the

California Energy Commission's website.

If you have questions, contact Power Source Disclosure (PSD) staff at PSDprogram@energy.ca.gov or (916) 639-0573.

Version: April 2026

2025 PCL Data*			
Emissions, Power Sources, Unbundled RECs	**Standard Green**	**Ultra Green**	**Base Green**
Retail Sales and Loss-Adjusted Load	622,638	9,416	3,813
GHG Emissions Intensity (lbs CO_2e/MWh)	**0**	**0**	**453**
■ **Renewables and Zero-Carbon Resources**	**100%**	**100%**	**52%**
■ **Fossil Fuels**	**0%**	**0%**	**48%**
Biomass & Biogas	0%	0%	0%
Geothermal	0%	0%	0%
Eligible Hydroelectric	1%	70%	0%
Solar	86%	30%	52%
Wind	0%	0%	0%
RPS Eligible Renewables - Subtotal	**87%**	**100%**	**52%**
Large Hydroelectric	**8%**	**0%**	**0%**
Nuclear	**5%**	**0%**	**0%**
Emerging Technologies	**0%**	**0%**	**0%**
Other	**0%**	**0%**	**0%**
Natural Gas	**0%**	**0%**	**0%**
Coal & Petroleum	**0%**	**0%**	**0%**
Unspecified Power - Total	**0%**	**0%**	**48%**
Retail Sales Covered by Retired Unbundled RECs	0%	0%	0%

*NOTE: The figures above are preliminary.

Staff will calculate the GHG emissions factor and fuel mix breakdown (percentage derived from renewables and zero-carbon resources or fossil fuels) of unspecified power after data from all reporting entities is submitted.

Resource and GHG Allocations

*indicates GHG figures are preliminary until the calculation of the annual unspecified power emissions factor

Power Sources and Emissions	Standard Green	Ultra Green	Base Green
Retail Sales, Other End Uses, Losses (MWh)	622,638	9,416	3,813
Total Net Specified (MWh)	622,637	9,416	1,983
Biomass & Biogas	-	-	-
Geothermal	-	-	-
Eligible Hydroelectric	4,605	6,592	-
Solar	534,100	2,824	1,983
Wind	-	-	-
Large Hydroelectric	50,750	-	-
Nuclear	33,183	-	-
Emerging Technologies	-	-	-
Other	-	-	-
Natural Gas	-	-	-
Coal & Petroleum	-	-	-
Unspecified Power - ACS	-	-	-
Unspecified Power - Direct Import	-	-	-
Unspecified Power - Spot Market	0	-	1,830
Unspecified Power - Total	0	-	1,830
Unspecified GHGs (MT CO_2e)*	0	-	783
Specified GHGs (MT CO_2e)	-	-	-
Total GHGs (MT CO_2e)*	0	-	783
GHG Emissions Intensity (MT CO_2e/MWh)*	0.000	-	0.205
PCL Emissions Intensity (lbs CO_2e/MWh)*	0	0	453
Retail Sales, Other End Uses, Specified Losses	622,638	9,416	3,813

Facility Name	Fuel Type	Standard Green	Ultra Green	Base Green
Resurgence Solar I, LLC	Solar	234,179		
Aquamarine Westside, LLC	Solar	132,322		
Willy 9 Chap 2	Solar	167,599		1,983
Putah Creek Solar Farm North	Solar		2,824	
Indian Valley Hydro	Eligible Hydroelectric	4,605	6,592	
Balch #1 PH	Large Hydroelectric	481		
Balch #2 PH	Large Hydroelectric	2,264		
Belden	Large Hydroelectric	2,463		
Bucks Creek	Large Hydroelectric	1,037		
Butt Valley	Large Hydroelectric	1,141		
Caribou 1	Large Hydroelectric	1,782		
Caribou 2	Large Hydroelectric	3,227		
Cresta	Large Hydroelectric	1,599		
Drum #1	Large Hydroelectric	131		
Drum #2	Large Hydroelectric	1,466		
Electra	Large Hydroelectric	1,868		
Haas	Large Hydroelectric	2,184		
James B Black	Large Hydroelectric	3,875		
Kerckhoff #2 PH	Large Hydroelectric	2,169		
Kings River	Large Hydroelectric	768		
Pit 1	Large Hydroelectric	1,356		
Pit 3	Large Hydroelectric	1,949		
Pit 4	Large Hydroelectric	2,270		
Pit 5	Large Hydroelectric	3,778		
Pit 6	Large Hydroelectric	1,610		
Pit 7	Large Hydroelectric	2,422		
Poe	Large Hydroelectric	2,507		
Rock Creek	Large Hydroelectric	2,878		
Salt Springs	Large Hydroelectric	925		
Stanislaus	Large Hydroelectric	2,049		
Tiger Creek	Large Hydroelectric	2,036		
NID-Chicago Park	Large Hydroelectric	513		
Diablo Canyon Power Plant 1	Nuclear	33,183		