

Information About Joining Sonoma Clean Power

Lake County Board of Supervisors
July 8, 2025

Today's Presentation

1. Overview of SCP
2. Progress toward offering service to Lake County
3. Details on how SCP is organized and operates
4. Benefits and risks of joining SCP
5. Process for joining SCP
6. Q&A



1. Overview of SCP



Overview of SCP

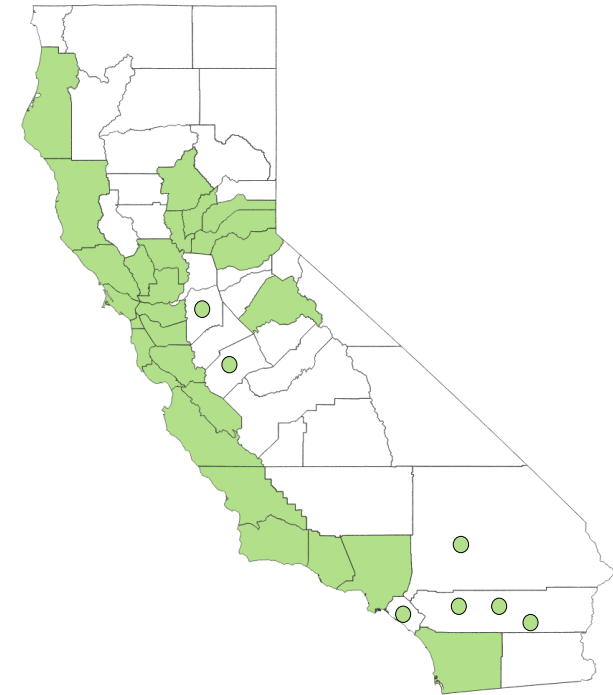
SCP is a “CCA” – Community Choice Aggregation

25 operating CCAs all around California

CCAs replace utility power sources, build new renewable energy and trim rates whenever possible

CCAs do NOT replace PG&E. PG&E still:

- Sends out the utility bill
- Maintains the poles and wires of the grid



Overview of SCP

SCP introduces a choice that customers currently do not have:

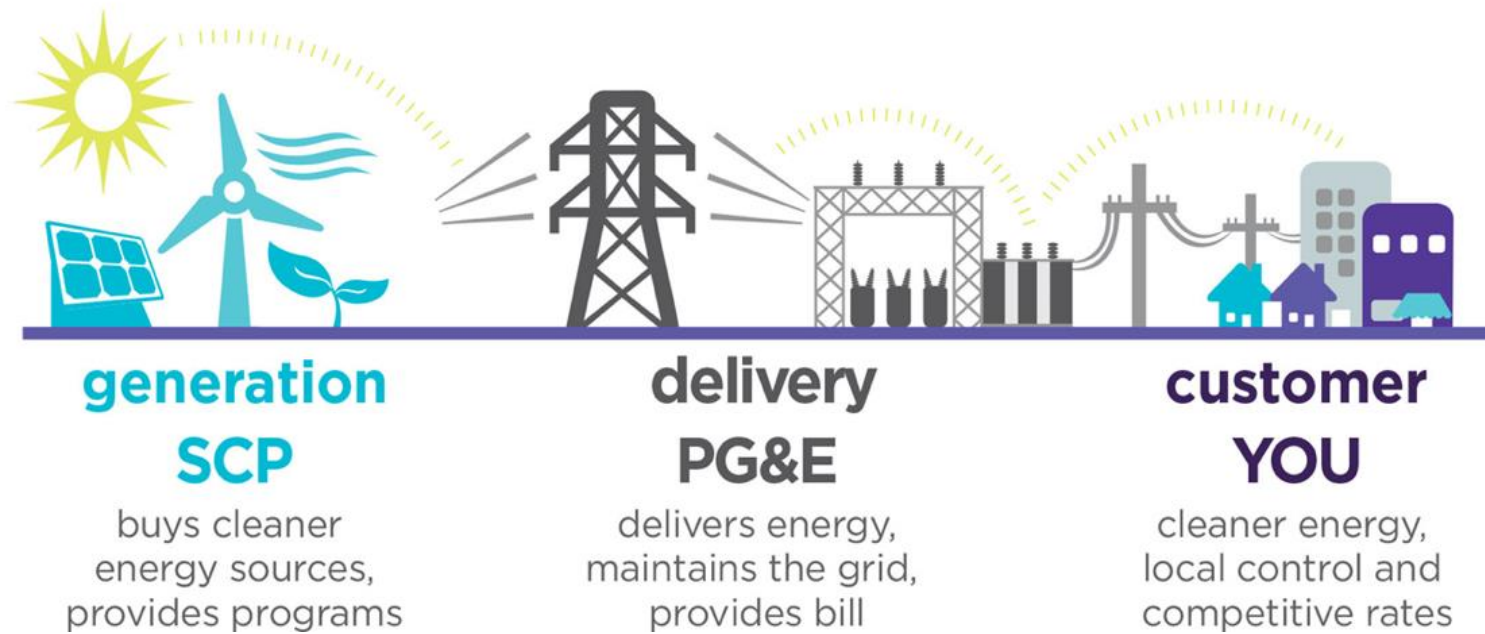
Who do you want generating your electricity?

Default service is SCP, the public power provider.
But customers can choose for themselves:

- PG&E (investor-owned utility)
- SCP (local agency operated by cities and counties)



Overview of SCP



Overview of SCP

Started service in 2014

Public agency generates power for 87% of all homes and businesses in Sonoma and Mendocino Counties

Self-funded through revenues – no tax dollars

Working to improve oversight, lower rates, cut pollution, invest locally and help customers













2. Progress Toward Offering Service



Progress

In May 2025, SCP completed a feasibility study and found that extending service to all of Lake County likely would:

Create no new cost increases for SCP's existing customers; and

Provide total bill savings to Lake County customers under regulatory and market conditions in April 2025.

UPDATE:

On June 26, 2025, the CPUC voted to delay financial credits PG&E owes to CCA customers by up to 4 years. This means that SCP customers will be required to loan millions of dollars to PG&E interest free in 2026.

This decision will create more volatility in electric bills, increasing the risk of years with higher total bills.



Progress

The SCP Board of Directors voted on June 5, 2025 to begin a 60-day period to discuss expanding service to Lake County with an intention to make a formal offer in August.



Asked to share the importance of confirming alignment on the value of geothermal energy, including developing more geothermal resources.

Scheduled similar presentations to the City of Lakeport on July 15 and the City of Clearlake on July 17.



3. Details on How SCP Operates



What is SCP?

A joint powers authority having as participants Sonoma and Mendocino Counties plus all the cities in those counties except the two munis in Ukiah and Healdsburg.

11-member Board of Directors, appointed by the participating jurisdictions

Staff of 55 people



SCP Board of Directors – Key Roles

Approves annual budget

Sets customer rates

Hires and reviews the CEO

Approves policies and plans that govern how power resources are purchased and built

Approves non-energy contracts above CEO's spending authority



Why a JPA?

Most of California's 25 operating CCAs operate under the joint powers authority structure to ensure a financial firewall exists between the individual members and the CCA itself.

This means:

- SCP's liabilities are not the liabilities of the participating cities and counties.

- SCP cannot provide funds to its member cities and counties to meet other needs.



Why Did SCP Form?

Reduce greenhouse gas emissions

Provide electric power to customers at competitive cost

Help customers reduce total energy consumption

Invest locally to stimulate the economy

Develop local energy resources

Promote long-term rate stability, energy security, reliability and resilience



Default Service

When CCAs form, California requires that they operate as the default provider for all customers. This means SCP replaced all of PG&E's power sources with its own.

Individual residential and commercial customers can “opt out” and choose PG&E to continue to produce their power.

Every customer will receive 5 notices in the mail over a 5 month period. During that time there is no fee to opt out. A residential customer opting out after that period will pay \$5. A commercial customer will pay \$20.



What Customers Would Experience

April-Oct 2026	About 20 community presentations to introduce SCP
March 2027	First mailed notices to all homes and businesses
March 2027	Second mailed notice
April-July 2027	About 10 more community presentations
May 1-31, 2027	Enrollment month, customers default into SCP service. Third mailed notice to all homes and businesses.
June 2027	Fourth mailed notice to all homes and businesses
July 2027	Fifth and final mailed notice to all homes and businesses



Combined Power Bill with PG&E



ENERGY STATEMENT

www.pge.com/MyEnergy

Account No: 1023456789-0

Statement Date: 12/28/2022

Due Date: 01/18/2023

Service For:

MICHAEL JOSEPH
281 GINO DR
SANTA ROSA, CA 95401

Questions about your bill?

Mon-Fri 7 a.m.-7 p.m.
Saturday 8 a.m.-5 p.m.
Phone: 1-800-743-5000
www.pge.com/MyEnergy

Ways To Pay

www.pge.com/waystopay

Your Account Summary

Amount Due on Previous Statement	Payment(s)	\$200.28
Payment(s) Received Since Last Statement		-200.28
Previous Unpaid Balance		0.00
Current PG&E Electric Delivery Charges		\$104.30
Sonoma Clean Power Electric Generation Charges		68.88
Current Gas Charges		162.66
Total Amount Due by 01/18/2023		\$335.84



4. Benefits and Risks of Joining SCP



Benefits and Risks of Joining SCP

Customers would get a new option for power provider

Investments into local energy resources

Funding for scholarships and local non-profit organizations

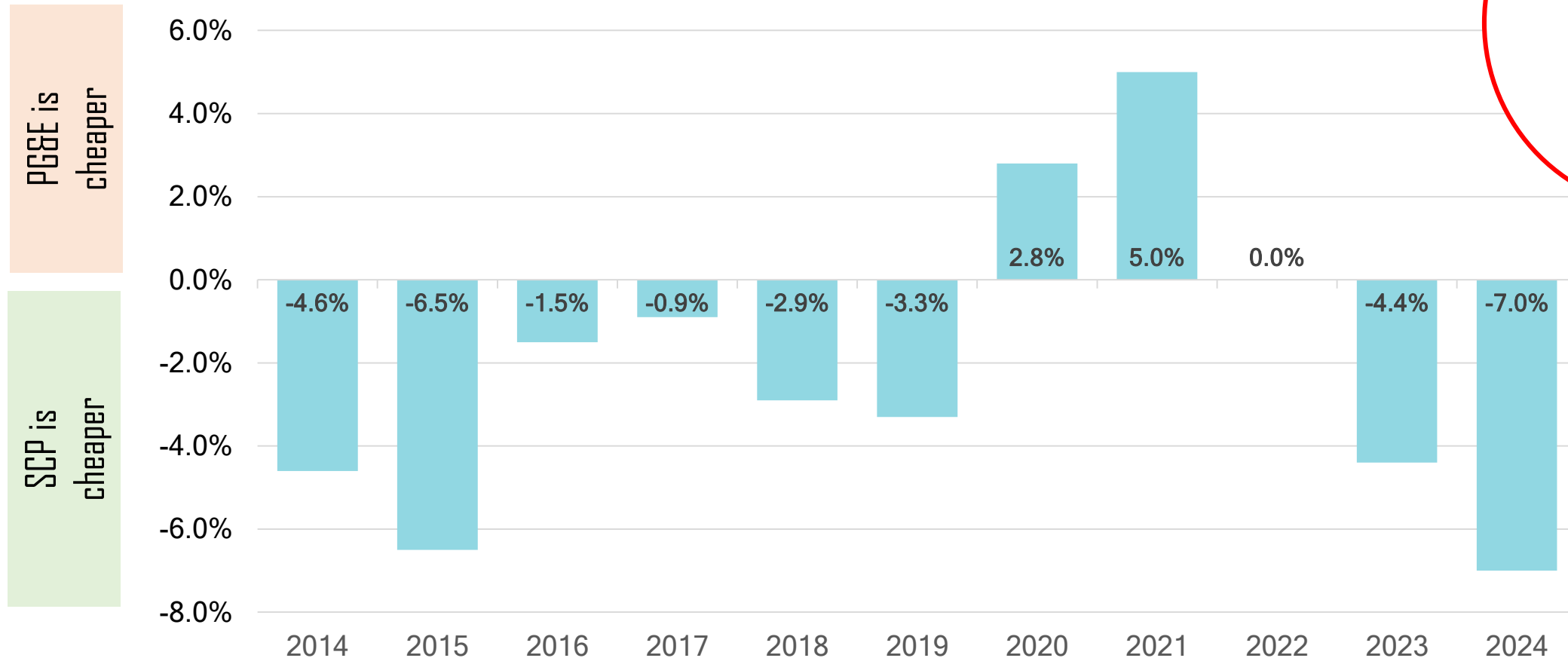
Cut California's air pollution and emissions

New advocate at the CPUC and in Sacramento

Lower rates for power generation when possible



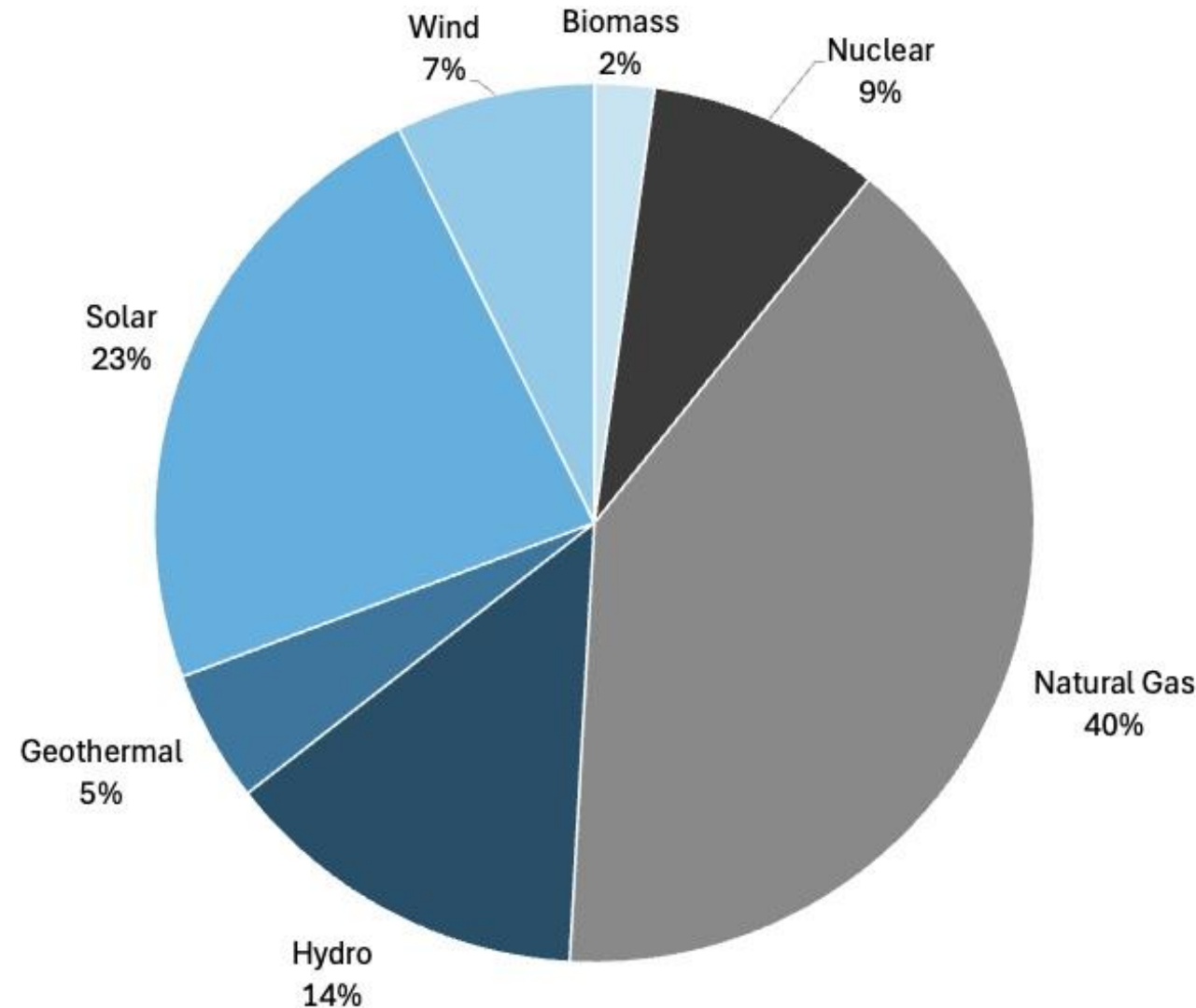
History of Total Electric Bills



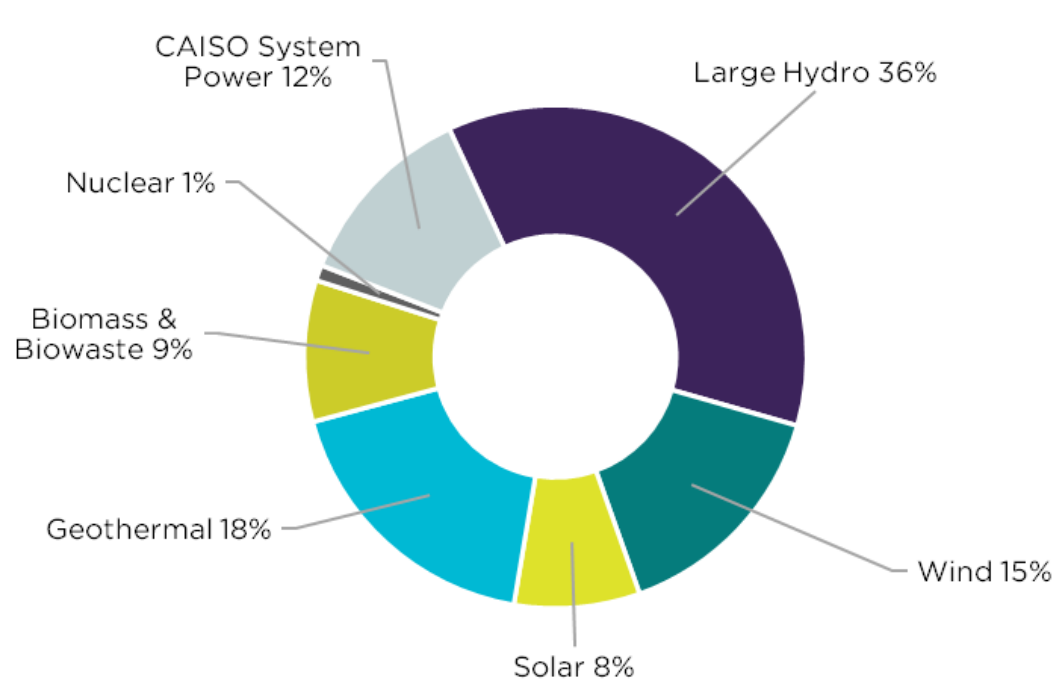
NOTE:
SCP Cannot
Promise Cost
Savings



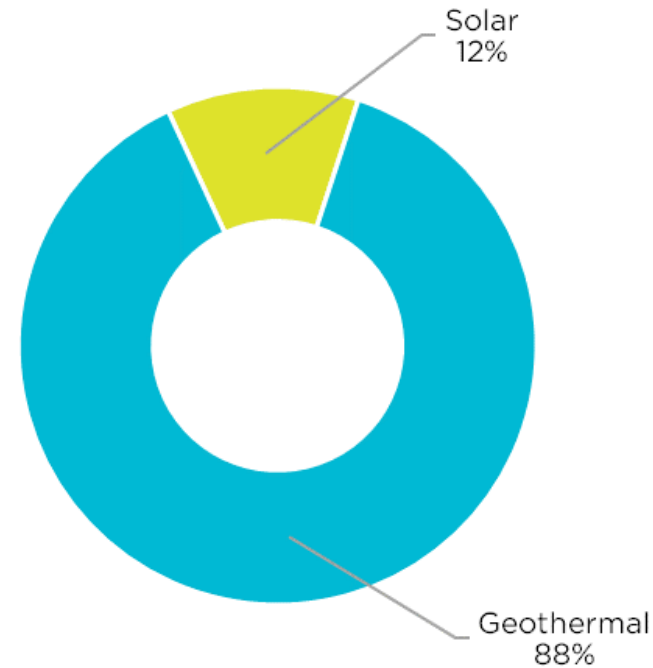
California's Annual Power Sources 2024



SCP Power Sources



Default



Local 24/7



Driving Geothermal Expansion

SCP is committed to increasing local access to geothermal power and lowering long-term energy costs.

SCP aims to attract local investment and drive development that aligns with local values and creates well-paid, highly skilled local jobs.

California has already ordered 2,000 MW of new geothermal construction.

New technologies expand opportunities beyond current geologic, land, and water constraints.



Geothermal Opportunity Zone

SCP has led the formation of the "GeoZone" across Sonoma and Mendocino Counties.

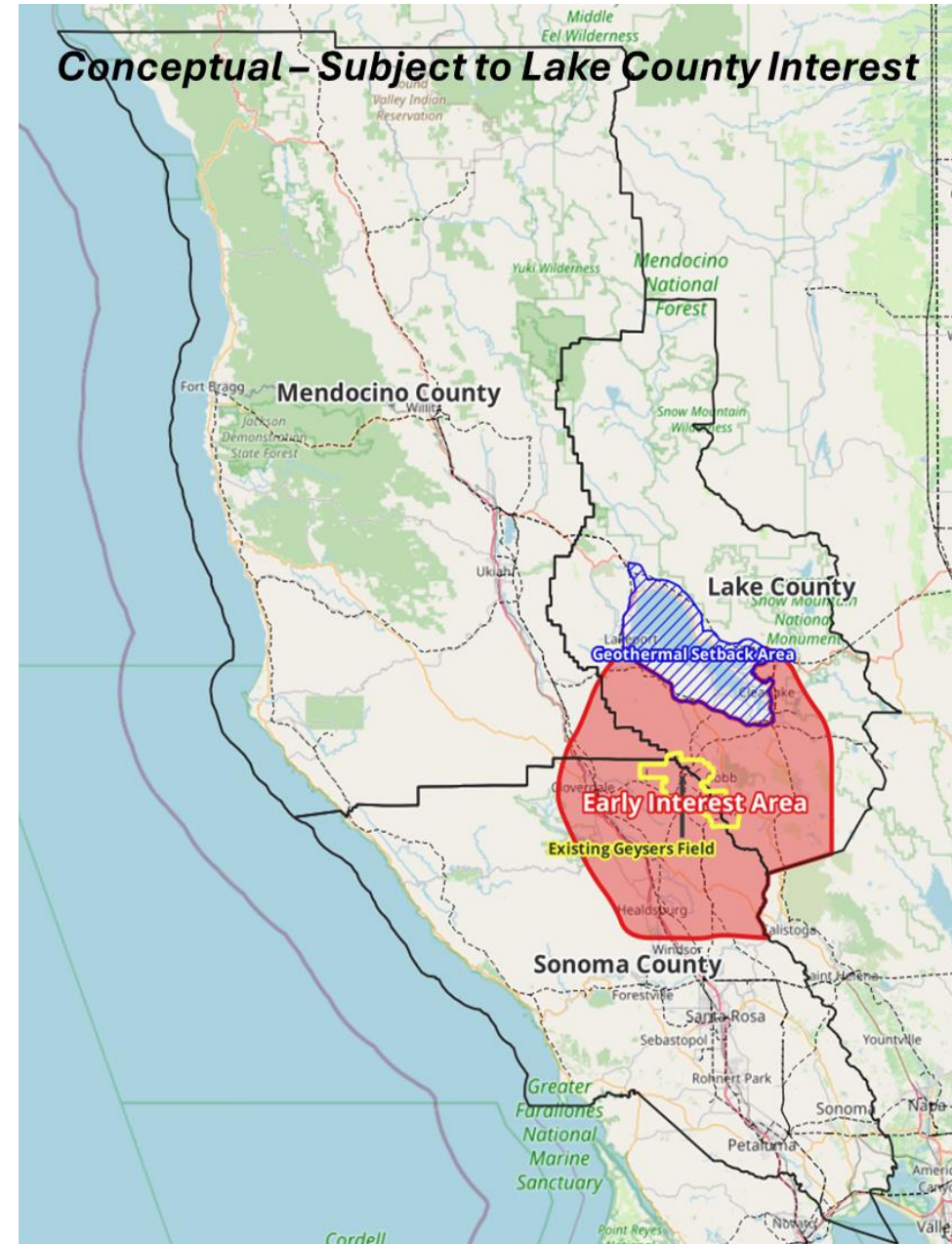
Goal is to build 600 MW of local clean power that meets established community criteria.



If Lake County Joins SCP

Lake County joining SCP and the GeoZone would help ensure that benefits from local geothermal energy flow to local customers first and foremost.

SCP understands Lake County's Geothermal Setback Area and long history with local geothermal power.



Risks of Joining SCP

Very long-term commitment.

Individual customers can opt out of service, but cities and counties cannot force their residents and business to leave SCP unless:

- They provide extremely long-term advance notice (potentially as long as 20 years); or
- They pay the costs on power supply contracts to ensure other customers do not experience rate increases.



Risks of Joining SCP

SCP cannot guarantee lower total rates. It is likely that some of the time, SCP customers will have higher rates.

SCP cannot guarantee lower total rates because:

- Changes in regulation are frequent
- PG&E fees on SCP customers can change dramatically from year to year
- Energy markets are volatile



5. Process for Joining SCP



Process for Joining SCP

July – August 2025

Due diligence on benefits and risks, legal issues, etc.

August 7, 2025

SCP Board to vote on extending a formal offer to serve Lake County

August - October 2025

Lake County and cities to consider passing ordinances to satisfy CPUC requirement and resolutions agreeing to:

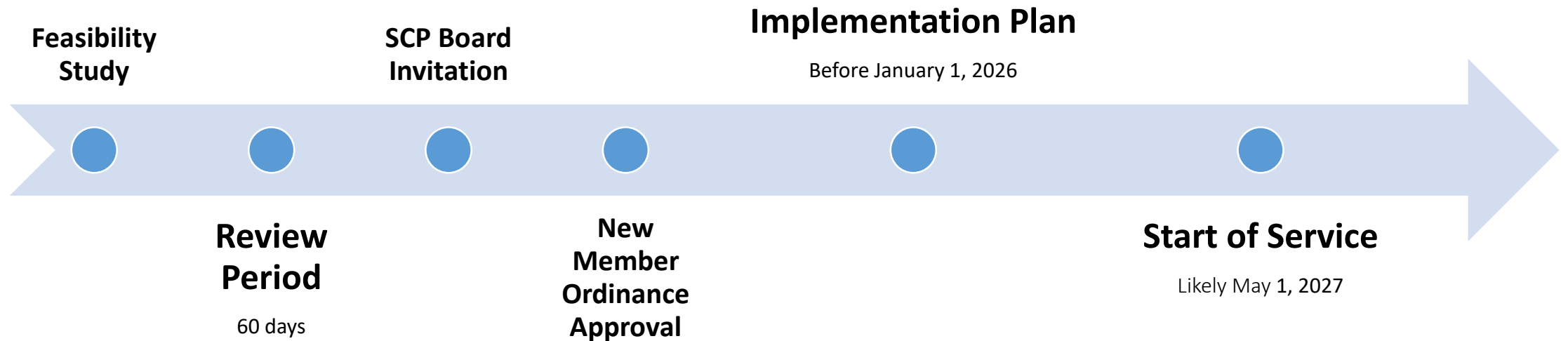
- Join SCP
- Abide by the terms of the JPA

November 2025

SCP to file an implementation plan with the CPUC for a start date of May 2027.



Timeline for Earliest Service



6. Questions

