



Fwd: MCE - Item 8 - Establish a Standing Finance Committee

1 message

MCE Clerk <clerk@mcecleanenergy.org>

Thu, Nov 20, 2025 at 2:36 PM

Cc: Jessica Brooks <jbrooks@mcecleanenergy.org>, Tanya Lomas <tlomas@mcecleanenergy.org>

Bcc: Board + Alternates <boardgroup@mcecleanenergy.org>, Interested Parties <interestedparties@mcecleanenergy.org>

Dear MCE Board Members,

Please see attached letter from a member of the public.

Note: MCE does not distribute Board member contact information to any parties.

Thanks,

Tanya

----- Forwarded message -----

From: **Alicia Minyen** <aliciaminyen@comcast.net>

Date: Wed, Nov 19, 2025 at 11:33 PM

Subject: MCE - Item 8 - Establish a Standing Finance Committee

To: liz.alessio@countyofnapa.org <liz.alessio@countyofnapa.org>, sandre@cityoflarkspur.org <sandre@cityoflarkspur.org>, ebeckman@cortemadera.org <ebeckman@cortemadera.org>, mbelotz@danville.ca.gov <mbelotz@danville.ca.gov>, kbirdseye@ci.benicia.ca.us <kbirdseye@ci.benicia.ca.us>, bcoler@townoffairfaxca.gov <bcoler@townoffairfaxca.gov>, MEBrown@solanocounty.com <MEBrown@solanocounty.com>, kjacobs@novato.org <kjacobs@novato.org>, bkircher@townofrossca.gov <bkircher@townofrossca.gov>, tkullaway@sananselmo.gov <tkullaway@sananselmo.gov>, maika@cityofsanrafael.org <maika@cityofsanrafael.org>, jmccormick@lovelafayette.org <jmccormick@lovelafayette.org>, meadows@ci.oakley.ca.us <meadows@ci.oakley.ca.us>, bpainter@cityofnapa.org <bpainter@cityofnapa.org>, Charles.Palmares@cityofvallejo.net <Charles.Palmares@cityofvallejo.net>, mperrey@cityofmillvalley.gov <mperrey@cityofmillvalley.gov>, gquinto@elcerrito.gov <gquinto@elcerrito.gov>, hollithertiburontowncouncil@gmail.com <hollithertiburontowncouncil@gmail.com>, mary.sackett@marincounty.gov <mary.sackett@marincounty.gov>, swilkinson@cityofbelvedere.org <swilkinson@cityofbelvedere.org>, dbailey@herculesca.gov <dbailey@herculesca.gov>, mayor@walnut-creek.org <mayor@walnut-creek.org>, dmurphy@pinole.gov <dmurphy@pinole.gov>, laura.nakamura@cityofconcord.org <laura.nakamura@cityofconcord.org>, elizabethp@sanpabloca.gov <elizabethp@sanpabloca.gov>, msandhu@fairfield.ca.gov <msandhu@fairfield.ca.gov>, bos5@bos.cccounty.us <bos5@bos.cccounty.us>, gthiel@moraga.ca.us <gthiel@moraga.ca.us>, SVerose@sanramon.ca.gov <SVerose@sanramon.ca.gov>, cesar_zepeda@ci.richmond.ca.us <cesar_zepeda@ci.richmond.ca.us>, bzorn@cityofmartinez.org <bzorn@cityofmartinez.org>, clerk@mceCleanEnergy.org <clerk@mcecleanenergy.org>, akobata@pittsburgca.gov <akobata@pittsburgca.gov>

Dear Marin Clean Energy ("MCE") Board Members,

Please establish a standing Finance Committee.

Having worked as a financial and accounting professional for over 30 years, I've learned the importance of an organization establishing robust internal controls to manage risks, meet objectives of operational effectiveness and efficiency, produce reliable financial reporting, with the ultimate goal of protecting customers and public funds. A robust internal control environment includes a standing Finance Committee that will foster trust among all stakeholders, which MCE needs as a way to produce financial stability.

I believe a standing Finance Committee is also warranted considering the following observations and concerns.

JPA's Require Strict Financial Accountability

California state law requires a Joint Powers Authority("JPA") "*strict accountability*" under California Government Code Section 6505. Obtaining an audit of MCE's financial statements is the bare minimum and considering that MCE appears to be an outlier with regard to customer rates, energy procurement, and operational losses - a standing Finance Committee would meet the spirit of the law with regard to strict financial accountability.

Inadequate Oversight of JPAs Noticed by Civil Grand Juries and Office of Municipal Securities

JPAs, in general, lack oversight and there is no outside regulatory body overseeing the ongoing activities of JPAs. In this regard, several Civil Grand Juries (such as County of Nevada, Contra Costa County, and Orange County) have taken notice regarding the lack of oversight and transparency of JPAs.

See the link below for the Orange County Civil Grand Jury report, "*Joint Powers Authorities: Issues of Viability, Control, Transparency, and Solvency*"

[Joint_Powers_Authorities_Website.pdf](#)

See the link below for the Contra Costa County Civil Grand Jury Report, "*Joint Powers Authorities: Transparency and Accountability*"

[files.pdf](#)

See the link below for the Nevada County Civil Grand Jury Report, "Joint Powers Authorities in Nevada County: Who Are they and Who's Watching?"

[publication-sd-jpa-report.pdf](#)

Inadequate oversight over JPAs has also been noticed by the U.S. Securities Exchange Commission's Office of Municipal Securities. The Director of the Office of Municipal Securities has made comments regarding JPAs during the October 2024 California Bond Buyer Conference. These comments, found at the link below, generally pertain to JPAs that issue debt. While the facts and circumstances may be different than Marin Clean Energy's case - the Director's comments by the Office of Municipal Securities are relevant, e.g., JPA agreements can be amended to form special committees (such as a standing Finance Committee) to perform certain functions, as well as require "*more active oversight, participation and support by the member municipal entities.*"

[SEC.gov | Joint Powers Authorities and Other Topics for Market Participants](#)

Members Have a Fiduciary Duty to MCE

Moreover, it's important to note that a white paper on JPAs, which is attached and found at the link below, states on page 16, that members of a JPA have a "*fiduciary duty*" to the JPA. Fiduciary duty means that the members of MCE must act in the best financial interests of MCE and its customers. Fiduciary duty also means that MCE's members must act with a Duty of Care and Duty of Loyalty.

Consequently, MCE Staff should recognize that it is the members that are on the hook and have the ultimate responsibility to the public and to MCE's customers. Establishing a standing Finance Committee is a way for members to meet their fiduciary duty.

See the attached "*Joint Powers Authorities: Opportunities & Challenges*" written by Joan L. Cassman with Hanson, Bridgett, Marcus, Vlahos & Rudy, LLP and by Jean B. Savaree with Aaronson, Dickerson, Cohn & Lanzone.

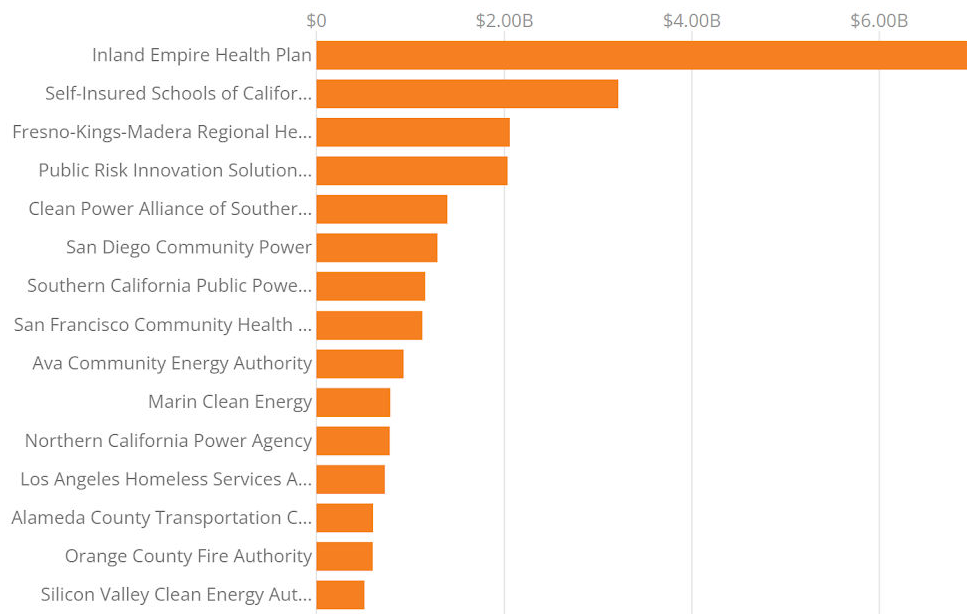
[Joint_Powers_Authroities.pdf](#)

MCE is the 10th Largest Special District in California

The California State Controller's website ranks Special Districts (which includes JPAs) by revenue. Notably, Marin Clean Energy is the 10th out of 1,183 Special Districts, and therefore, it seems prudent that a standing Finance Committee be formed given the extraordinary amount of ratepayer funds flowing through MCE.

[Joint Powers Authority \(JPA\) | California State Controller's Office Revenues](#)

\$46.11 Billion 2024 ▾



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☒ Scale dollar amounts

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Increased Energy Costs and Acquisition of Renewable Energy Certificates ("RECs")

As you know, MCE's audited financial report for the year ended March 31, 2025, states, in part, under Management's Discussion and Analysis that the *"primary reason for the increase in energy costs was the rising costs...timing and pricing of certain contracts...through the acquisition of Renewal Energy Certificates."*

Given that there appears to be irregularity with regard to the expenses relating to RECs and that fraud can occur in the REC market - I believe a standing Finance Committee should conduct an investigation of the RECs acquired by MCE. The Finance Committee could ascertain how the RECs were used, whether MCE unnecessarily overpaid for RECs, and should consider, if necessary, creating policies and procedures to mitigate the risks associated with RECs.

I believe it would be helpful for MCE Staff to inform the Board about how Staff verified the origin of the RECs, how the RECs are sourced, and how Staff verified the authenticity and certification of RECs. Staff should also describe what controls are in place to ensure MCE does not buy the same REC on multiple registries. Also, it would be helpful to know if MCE utilizes a third-party valuation expert to assess the prices of RECs prior to acquisition as a control to avoid paying inflated prices. Further, it would be helpful to know if MCE's Staff has created self-imposed pressures to buy RECs, regardless of price, to meet difficult to achieve sustainability goals that may have been overly promised in marketing campaigns to members and/or customers through specific rate plans.

Based on the aforementioned, I hope the Board will overwhelmingly support a standing Finance Committee.

With appreciation,

Alicia Minyen, CPA and CFE
Resident of Vacaville, Solano County and
MCE customer for a home my husband and I own in San Pablo, Contra Costa County
415-722-9211



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JPA's Opportunities and Challenges_White Paper.pdf

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