Empowering Our Clean Energy Future

MARIN COUNTY | NAPA COUNTY | UNINCORPORATED CONTRA COSTA COUNTY
UNINCORPORATED SOLANO COUNTY | BENICIA | CONCORD | DANVILLE | EL CERRITO
FAIRFIELD | HERCULES | LAFAYETTE | MARTINEZ | MORAGA | OAKLEY | PINOLE
PITTSBURG | PLEASANT HILL | RICHMOND | SAN PABLO | SAN RAMON | WALNUT CREEK

MCE Board of Directors Meeting
Special Meeting & Public Workshop
Wednesday, January 28, 2026
10:00 a.m.

1125 Tamalpais Avenue, San Rafael, CA 94901
68-1050 Mauna Lani Point Dr, Suite H204, Waimea, HI 96743 **(City of Walnut Creek)**

Public comments may be made in person or remotely via the details below.
Remote Public Meeting Participation

Video Conference: https://t.ly/mIv5w
Phone: Dial (669) 900-9128, Meeting ID: 890 0487 7785, Passcode: 525690

Materials related to this agenda are available for physical inspection at MCE's offices in San Rafael at 1125 Tamalpais Avenue, San Rafael, CA 94901 and in Concord at 2300 Clayton Road, Suite 1500, Concord, CA 94520.

DISABLED ACCOMMODATION: If you are a person with a disability who requires an accommodation or an alternative format, please contact MCE at (888) 632-3674 or ada-coordinator@mceCleanEnergy.org at least 72 hours before the meeting start time to ensure arrangements are made.

1. Roll Call/Quorum
2. Welcome and Introductions (Discussion)
3. Strategic Plan for Energy Services (Discussion)
4. Integrated Resource Planning (Discussion)

Lunch Break

5. Customer Rates, Billing, and Cost Context (Discussion)
6. Adjourn

The Board of Directors may discuss any or all of the items listed on the agenda irrespective of how the items are described.

Empowering Our Clean Energy Future
CONTRA COSTA | MARIN | NAPA | SOLANO

January 28, 2026

TO:	MCE Board of Directors
FROM:	Jamie Tuckey, Chief Customer Officer
RE:	Strategic Plan for Energy Services (Agenda Item #03)
ATTACHMENTS:	A. Strategic Plan for Energy Services B. Staff Report - Customer Programs Update (January 15, 2026) C. Strategic Plan for Energy Services - Presentation

Dear MCE Board Members:

Summary:
MCE's Strategic Plan for Energy Services is a high-level roadmap that outlines how MCE will advance its mission and vision through electricity service options, customer programs, equity strategies, and risk management. The plan is designed to provide a shared framework for Board direction and cross-department implementation, with clear linkages to measurable goals, key performance indicators (KPIs), and the external policy and market context shaping MCE's work.

Background:
The Strategic Plan for Energy Services describes MCE's:

- **Agency priorities and goals** for the planning horizon, including emissions reduction, equity, affordability, fiscal prudence, operational excellence, and governance.
- **Service area** and how membership and community characteristics inform service delivery and program design.
- Approach to **energy equity**, including language access, supplier diversity, partner engagement, and priority populations.
- **Electric supply options** and procurement strategy, including state policy drivers (e.g., renewable/carbon-free targets, resource adequacy changes, and hourly emissions reporting reforms).
- **Customer programs** that reduce greenhouse gas emissions, support grid reliability, lower bills, and deepen customer engagement, including Virtual Power Plant strategies, building electrification, EV initiatives, and energy efficiency.
- **Risk mitigation** strategies.

Staff updates the Strategic Plan for Energy Services annually, with interim refinements as needed to reflect major policy changes, market dynamics, Board direction, program evaluations, and emerging risks. The January 2026 update reflects current conditions and priorities heading into the FY 2026/27 budget cycle.

Fiscal Impact:
None. Staff will bring forward FY 2026/27 budget proposals that build from the priorities and strategies outlined in the Strategic Plan for Energy Services for Board review and action through the annual budget process.

Recommendation:

Discussion only.

Strategic Plan for Energy Services

MCE

Strategic Plan for Energy Services

Updated January 2026

1125 Tamalpais Avenue, San Rafael, CA 94901
2300 Clayton Road, Suite 1150, Concord, CA 94520
(888) 632-3674
info@mceCleanEnergy.org
www.mceCleanEnergy.org

Cover photos, left to right:
3 MW Silveira Ranch solar in Novato;

Shanelle Scales-Preston, Contra Costa County Supervisor and MCE Board Chair, helps inaugurate a newly renovated home, part of MCE's Virtual Power Plant pilot in Richmond;

MCE customers and Marina Bay HOA Board Members Afsar Ali (left) and Mike Mahoney (right) flank Joy Massey, MCE Manager of Transportation Electrification, celebrating installation of their new EV charging station.

Table of Contents

Section 1: Overview

Introduction

MCE's Strategic Plan for Energy Services is a roadmap outlining our continued commitment to sustainable, innovative energy solutions and equitable community engagement. At MCE, we recognize that the success and impact of our work is not confined to any single department or team. Instead, it's a collective effort that spans from our Board of Directors and across all MCE departments, with each staff member playing a crucial role in bringing our mission to life and helping achieve our strategic goals.

MCE's Strategic Plan for Energy Services is an evolving document, and staff aims to update it annually, at minimum. Where applicable, the plan includes goals, key performance indicators (KPIs), metrics, impacts, and results.

Vision & Mission

MCE's vision is to lead California to an equitable, clean, affordable, and reliable energy economy by serving as a model for community-based renewable energy, energy efficiency, and cutting-edge clean-tech products and programs.

MCE's mission is to confront the climate crisis by eliminating fossil fuel greenhouse gas emissions, producing renewable energy, and creating equitable community benefits.

Values

- **Innovation:** We fight climate change with leading edge, community-centered programs and policies.
- **Equity:** We prioritize environmental and economic justice for communities of concern.
- **Accessibility:** We serve our communities and customers through open and transparent engagement.
- **Inclusivity:** We celebrate diverse identities at work and in our communities.
- **Sustainability:** We strive for a sustainable workplace, community, and planet.
- **Fiscal Responsibility:** We invest in financial strength to deliver stable rates and programs.

2026 Agency Priorities & Goals

1. **Priority: Reduce greenhouse gas emissions** through strategic programs and energy service options, maximizing both renewable and carbon-free sources.

   Goals:

   a. Increase or maintain customer enrollments in Light Green, Deep Green, and Local Sol energy service.
   b. Innovate with new technologies to boost electrification, improve grid resiliency, and reduce customer costs (i.e.: VPP, localized energy storage, EVs, renewable hydrogen), when economically feasible.
   c. Increase participation in customer programs, prioritizing programs that shift load away from 4-9pm to better align MCE's load and generation, minimize cost exposure, and maximize renewable energy use, when economically feasible.
   d. Align procurement and energy services with new hourly emissions reporting by improving 24/7 load matching and reducing reliance on high-emitting hours.
   e. Increase new build power supply by advancing clean resource development (solar + storage, geothermal, long-duration storage) that better matches evening needs, when economically feasible.
   f. Reduce curtailments.

2. **Priority: Foster equity** by focusing on inclusive participation and equitable access to clean energy, programs, and benefits.

   Goals:

   a. Advance equity-informed policies to ensure the clean energy transition doesn't leave historically underrepresented communities behind.
   b. Deepen the impact of MCE's Community Power Coalition.
   c. Improve language access and culturally relevant outreach using findings from the 2025 language study, with measurable increases in engagement/enrollment among limited-English-proficiency customers.
   d. Increase participation of priority populations in programs that lower bills and improve health/safety,

3. **Priority: Strengthen energy affordability** by expanding access to cost-saving programs and advocating for fair rates to lower customer costs.

   Goals:

   a. Strengthen the grid and the western energy market to get energy where it is needed most, avoid waste, and reduce costs.
   b. Advocate for fair and equitable PCIA and related rate structures that do not disproportionately burden Community Choice Aggregation (CCA) customers.
   c. Expand bill savings through high-impact, cost-effective customer programs with measurable bill savings and peak cost reduction.
   d. Reduce MCE's exposure to peak market prices and Resource Adequacy costs by scaling daily load shifting and increasing flexible load dispatch capability.

e. Increase customer adoption of automation (smart charging, thermostats, battery controls) to deliver reliable savings without requiring behavior change.

4. **Priority: Amplify our impact by using our funds wisely,** providing competitively priced energy to our customers, and pursuing diverse funding, innovative finance strategies, and prudently diversified investments.

   Goals:

   a. Grow and diversify external funding to expand program reach without putting pressure on rates.
   b. Advance "value-stacking" and revenue recovery by integrating distributed energy resources in the Virtual Power Plant into California Independent System Operator (CAISO) markets.

5. **Priority: Inspire others to take action** to confront the climate crisis and create energy equity, by telling our story and increasing recognition from regulators, decision-makers and customers.

   Goals:

   a. Increase customer and community understanding of MCE's value through targeted storytelling.
   b. Improve transparency and public trust in program outcomes by publishing clear, accessible reports on savings, emissions impacts, and benefits.
   c. Utilize the network of community partners to create new opportunities for disseminating information about MCE.

6. **Priority: Achieve operational excellence and foster an engaging employee experience** by leveraging advanced technology, enhancing cross-team collaboration, and refining processes to ensure peak efficiency and effectiveness.

   Goal:

   a. Attract and retain staff at all levels with competitive market-based compensation, robust benefits, retention incentives, and growth opportunities.

7. **Priority: Strengthen governance practices and support shared understanding** with the Board, staff, and public to ensure transparency, accountability, informed oversight, and alignment with MCE's mission.

   Goals:

   a. Enhance Board education and decision support on rates and PG&E fees, procurement risks, regulatory changes, and program results using consistent report outs.
   b. Increase clarity and consistency of governance processes (roles, delegated authority, contracting transparency) to support accountability and timely decision-making.
   c. Proactively address misinformation and strengthen public confidence through clear, timely explanations.

Our Impact

California's community choice model was spearheaded by MCE and is a growing statewide commitment to locally led efforts for a sustainable future. From individual lifestyle adjustments to large-scale industrial changes, MCE communities are building a cleaner, greener, and more resilient environment that works for everyone.

In 2010, local advocates launched MCE as California's first Community Choice Aggregation (CCA) electricity provider to give their communities a true, renewable alternative that was not-for-profit and governed at the local level.

Today, MCE serves over 1.5 million people with clean energy service and cutting-edge energy programs across 38 communities. Discover what we've accomplished in our 2025 Impact Report.

- 600,000 customer accounts
- 48 MW new renewable projects built locally
- 7,100 California jobs supported

"As soon as I found out MCE was going to build a solar farm in Richmond, I called everyone I knew asking how I could get [hired] on the project. I'm trying to make my community a better place, and what better way than to actually build a solar farm in my backyard. Working on MCE Solar One and working for RichmondBUIID has definitely changed my life. Now I'm working for RichmondBUILD, giving back to my community, and I'm also going back to college. I didn't think I would be here, that's for sure. I hope that I can be that light for others." - **Jonathan Brito, RichmondBUILD**

Section 2: Member Communities

As a Joint Powers Authority, MCE's Board of Directors is composed of local elected public officials representing each of the communities we serve.

Current Members

There are 38 member communities across four Bay Area counties - Contra Costa, Marin, Napa, and Solano.

- **Contra Costa County**, Concord, Danville, El Cerrito, Hercules, Lafayette, Martinez, Moraga, Oakley, Pinole, Pittsburg, Pleasant Hill, Richmond, San Pablo, San Ramon, Walnut Creek
- **Marin County**, Belvedere, Corte Madera, Fairfax, Larkspur, Mill Valley, Novato, Ross, San Anselmo, San Rafael, Sausalito, Tiburon
- **Napa County**, American Canyon, Calistoga, Napa, St. Helena, Yountville
- **Solano County**, Benicia, Fairfield, Vallejo

Future Member Potential

Eight communities in Contra Costa and Solano counties, listed below, are eligible for MCE membership but have not applied. MCE's Board of Directors will evaluate any future membership requests.

Communities Eligible for MCE Service

County	Community	Population	Household Count
Contra Costa	Brentwood	66,000	21,000
Contra Costa	Clayton	11,000	4,000
Contra Costa	Orinda	19,000	7,700
Contra Costa	Antioch	117,000	37,000
Solano	Dixon	19,000	6,700
Solano	Rio Vista	10,000	5,200
Solano	Suisun City	29,000	9,800
Solano	Vacaville	102,000	35,000

**Source: U.S. Census Bureau (2024)*

MCE Solar One Ribbon Cutting

Section 3: Energy Equity

At MCE equity means ensuring all communities, especially those historically underserved or affected by environmental and economic injustices, have fair access to clean, affordable, and reliable energy. MCE actively addresses disparities by working to make renewable energy and clean technologies accessible to everyone, regardless of socio-economic status, race, ethnicity, or location.

MCE fosters equity by tailoring programs, policies, outreach, and decision-making processes to meet the diverse needs of our communities. This ensures equitable participation and benefits, particularly addressing historical injustices that have created "sacrifice zones" in frontline and fenceline communities. It means actively working to:

- **Advocate for and implement policies and programs** that reduce environmental and health impacts of energy production and consumption, especially in disproportionately pollution-affected communities.
- **Identify and address disparities** in energy access and costs, especially in underserved and industrially-impacted communities.
- **Ensure equitable distribution of benefits** from clean energy, such as reductions in air pollution and greenhouse gas emissions, cleaner renewable electricity, increased access to energy efficiency programs, cost savings, and benefits from new technologies.
- **Proactively incorporate diverse community voices and needs** in decision-making processes, ensuring that energy solutions are tailored to the unique contexts of all served communities.
- **Foster economic opportunities** by prioritizing job creation, training, and workforce development in underrepresented groups and partnering with organized union labor on utility scale projects.

These commitments are aligned with decades of activism and environmental justice work throughout the country. Of particular importance is MCE's alignment with the 17 Principles of Environmental Justice (1991). Among them are the declarations that with our programs, policies, and power purchase we:

- Protect our ecological environment,
- Write public policy based on mutual respect and justice for all people,
- Invest in ethical, balanced and responsible uses of land and renewable resources;
- Protect from nuclear;
- Allow for equal partners in every level of decision making;
- Allow for workers in a safe and healthy work environment;
- Educate generations on social and environmental issues with appreciation of diverse cultural perspectives and
- Be careful with how we consume resources, reduce waste, and reprioritize our lifestyles to ensure the health of the natural world for present and future generations.

Other recent examples of how MCE is centering equity in programs and energy services are detailed in MCE's 2025 Impact Report.

Language Access

Left to Right: MCE staff Kiara Donato, Malena Data Ernani, El Timpano, Hugo Mata, Soluna Outreach Solutions, who conducted MCE's Language Study.

In 2024, nearly one in three calls to MCE's service center were in Spanish. Spanish is the most prevalent language among non-English speakers in MCE's area, followed by Chinese and Vietnamese. In 2025, MCE conducted a language study across its service area to better understand customer needs, communication preferences, and effective outreach channels for individuals with limited English proficiency, particularly Spanish-speaking customers.

The language access study was conducted with one focus group in each of MCE's member counties for a total of 24 participants. It was determined that:

- Roughly 8% of households in MCE's service area are linguistically isolated, meaning no one aged 14 or older speaks English proficiently.
- Working with local partners, including nonprofits and community organizations, is an effective strategy to build trust especially with non-English speaking communities.

The results of this study are helping MCE better serve people who face language barriers by working alongside local partners to reach non-English speaking customers and people with diverse abilities.

In addition to this study, MCE has created a variety of resources for Spanish-speaking customers and community partners to better facilitate engagement with non-English-speaking customers. This includes:

- Spanish Language Toolkit to help community partners discuss MCE
- Quarterly Communications Toolkit distributed to partners and member communities in both English and Spanish, including social media, newsletter, and general informational content
- Increased sensitivity to cultural differences in MCE translations. In-house Spanish-speaking staff oversee translations from a vendor to ensure they meet MCE's best practices and are incorporating appropriate language, slang, and terms that are relevant to the Spanish-speaking people in MCE's service area.

Survey Feedback:

- "The kindness of the person who assisted me when I called customer service helped me build trust."
- "Everything on the bill should be clear so that we can understand the costs."
- "They should teach us how to read the electricity bill but also the meter so we can know we're being charged fairly."

Supplier Diversity

MCE submits an annual Supplier Diversity Report to the CPUC every March that outlines our voluntary work. Our supplier diversity efforts help businesses whose owners are women, minority, LGBTQ, and/or disabled veterans to access opportunities in California's energy sector. By leading our supplier diversity workshops and training sessions over several years, MCE has helped many businesses receive certification in the state's Supplier Diversity Clearinghouse to access utility contracts and more easily grow their local businesses.

In 2024, MCE spent more than $40 million on small local and diverse businesses.

*"Our mission at Niemela Pappas & Associates, a top, female-owned lobbying firm in Sacramento, is to provide our clients with innovative and out of the box strategic government relations services and counsel at the California state legislative and administrative levels. Our lobbying firm supports MCE's mission in that we value being able to lobby to advance policies that promote clean energy. At the encouragement of MCE, and to demonstrate our firm's commitment to equality and diversity, we were motivated to become a certified business through the CPUC. This certification has opened doors for us and has helped us to continue our relationships with organizations that value supplier diversity."— **Emily Pappas, Partner, Niemela Pappas & Associates***

Community Power Coalition

MCE's Community Power Coalition (ComPow) is a network of 115 community-based organizations (CBOs) that advise MCE on areas including environmental, social, and racial justice issues as they intersect with the work of delivering renewable energy to our communities. These organizations also help MCE to raise awareness and reach new audiences.

In 2025, MCE hosted 6 Community Power Coalitions meetings. Cumulatively, 230 people were engaged to discuss topics including MCE youth programming, Community Partnership Program, Affordability, Charged by Public Power, Climate Justice Engagement and Education for enhancing language accessibility, and MCE's CPUC Energy Efficiency Application for 2028-2031.

- **Goal:** Create bi-directional pathways for community partners to engage in climate crisis conversations and partnerships.

    - **KPI:** Increase environmental justice CBO engagement by 15% in cumulative attendance.
    - **Results:** In 2025, MCE launched the Environmental Justice Tiger Team which engaged directly with local partners to listen, learn, and integrate their perspective into both internal processes and public programming on a going-forward basis. Conversations were held with 15 organizations to identify shared opportunities, understand the priorities of each group, discuss barriers to progress, and explore ways we can support one another's work.
    - **Results:** This effort combined with increased engagement at the Community Power Coalition met our increased attendance KPI.
- **Goal:** Facilitate engagement and education opportunities for existing and new partners to build energy-adjacent partnerships (between MCE, CBOs, policymakers, and local municipalities) to advance climate equity goals.
    - **KPI:** Identify and engage 2-3 new organizations (or re-engage non active partners) per county.
    - **Results:** 15 new organizations or organizations, who had not previously attended 2 or more ComPow meetings in the last two years, re-engaged or joined this year including:
        - CoBiz Richmond
        - Communities for a Better Environment
        - Community Foundation of Lafayette
        - Contra Costa Crisis Center
        - Hijas del Campo
        - Interfaith Climate Network of Contra Costa County
        - Napa Bike Coalition
        - Puertas Abiertas
        - Quit Carbon
        - Rich City Rides
        - Richmond Community Foundation
        - Solano County
        - Solano Hispanic Chamber
        - Town of Moraga
        - UpValley Family
        - Vallejo First Cooperation

- **Goal:** Ensure MCE's Community Power Coalition membership reflects the diversity of our service area by amplifying the voices of underrepresented groups and better understanding the needs of all communities.
    - **KPI:** Analyze the demographics and focus areas of Com Pow member organizations to identify gaps in representation, such as farmworkers, youth, BIPOC communities, workforce development, and environmental justice groups. Use findings to guide outreach and recruitment of new members.

- **Results:** Prior to each ComPow the CDM team identified 5-7 organizations who expressed interest in key topics and conducted personalized outreach. As a result, MCE saw an increase in diverse organizations joining ComPow.

- **Goal:** Strengthen MCE brand and create engagement touchpoints in our service area.
  - **KPI:** Measure brand familiarity increase of meeting attendees in post-survey participation following the annual listening sessions and annual symposium.
  - **Results:**
    - 92% of MCE ComPow Survey respondents responded yes to "When your customers or clients have questions about electricity or utilities do you think about connecting them to MCE?" (N=13)
    - 92% of survey respondents expressed that as a result of your networking at ComPow Symposium, they plan to partner/follow up with a new organization. (N=13)
    - 92% of survey respondents expressed interest in joining future ComPow meetings. (N=13)

Local Voices and Testimonials from Community Power Coalition

"*Participating in the 2025 ComPow Symposium was an energizing experience. Serving on the workforce development panel gave me the chance to exchange ideas with leaders across the clean energy sector and to see firsthand how organizations like MCE are shaping a more equitable and resilient future. The event offered valuable insights, new connections, and a deeper appreciation for the innovative approaches emerging in our industry.*"- ***Steven King, SEI***

"*Cuando entendemos la importancia de la energía limpia y la compartimos en nuestras comunidades, cuidamos el planeta y mejoramos la vida de todos.*"- ***Edith Yesenia Arevalo de Sanabria, La Clínica de la Raza***

"Participar en este evento ha sido una experiencia increíble. Me inspiró a seguir contribuyendo a nuestra comunidad y a apoyar iniciativas como las de MCE, que generan un impacto positivo real."- ***Maritza Castillo, La Clínica de la Raza***

*"Attending MCE's 2025 Community Power Coalition Symposium last Friday was an incredible opportunity to build new partnerships and explore emerging technologies that are shaping our clean energy future. I left even more committed to advancing climate solutions in our community."- **Jesus Rosas, Solano Economic Development Corporation***

Priority Populations

MCE identifies and serves communities and groups with specific challenges or energy needs through inclusive program and service offerings. State-designated Disadvantaged Communities (CalEnviroScreen) and Low-Income Communities (AB 1550) are identified based on specific criteria that reflect economic, health, and environmental challenges. These areas often face higher pollution levels, limited access to clean energy, and socioeconomic barriers that exacerbate health and environmental risks.

Prioritizing these communities and customer groups ensures targeted support to those most in need, aiming to reduce disparities, improve health outcomes, and enhance access to clean, affordable energy.

Priority Communities
Richmond, Pittsburg, Concord, and Vallejo are the greatest areas of concern within MCE's service area, based on state designations as disadvantaged and/or low-income communities. The following communities have the greatest area of concern by member county:

- **Richmond, Pittsburg**, and **Concord** in Contra Costa County;
- **Vallejo and Fairfield** in Solano County;
- **San Rafael** and **Novato** in Marin County; and
- **Napa** in Napa County

A complete list of member communities with designations from CalEnviroScreen, AB 1550, and the Climate and Economic Justice Screen Tool, is in Appendix A.

Homeward Bound of Marin, in partnership with MCE and AES, delivered nearly $400,000 in energy upgrades to two Marin homeless shelters.

Vulnerable Populations

- People with lower incomes including those that qualify for discount and assistance programs
- People dependent on electric-powered medical devices
- Non-English speakers

- Multifamily properties, which frequently provide housing for lower-income individuals, families, and multigenerational families.
- Tribal communities: MCE's service area includes unceded lands of Indigenous groups including Me-Wuk (Coast Miwok and Bay Miwok), Muwekma Ohlone, Wappo, Karkin, Lisjan, Wintun and South Patwin peoples.
- Older adults
- Youth
- Customers in High Fire Threat Districts

Critical Facilities

Critical facilities help maintain community safety, health, and welfare, especially during emergencies or power outages. These facilities include, but are not limited to:

- Emergency Services: Fire stations, police stations, emergency operations centers, and other facilities for public safety and emergency response.
- Healthcare Facilities: Hospitals, clinics, and other medical centers.
- Public Transportation Hubs: Key transportation infrastructure like bus depots and train stations.
- Shelters and Community Centers: Locations that serve as emergency shelters or aid distribution centers, including schools, community centers, and senior care facilities.
- Utilities and Infrastructure: Water treatment plants, sewage facilities, telecommunications centers, and other utilities for public health and safety.

"West Marin Medical Center is very grateful to MCE for their partnership in installing battery storage at our facility. MCE made it possible for us to install battery storage which was otherwise challenging to find for our community clinic. This new project will not only save us money, but will provide us with clean back-up energy for critical needs like vaccine refrigeration during outages." – ***Dr. Colin Hamblin, owner and physician at West Marin Medical Center.***

Section 4: Electric Supply Options

Sheep graze at the 1 MW Fallon Two Rock Solar project in Tomales, West Marin.

Through the CCA model, MCE is the primary and default electricity provider within our service area, aggregating the electricity needs of more than 600,000 customer accounts – 87.2% of the eligible residents, businesses, and municipal facilities in 2025 – with a peak load of approximately 1,400 MW. This collective approach is not just about negotiating and buying power, it's about reshaping the energy landscape in line with our community's values and need to champion sustainability, competitive rates, and local empowerment.

MCE's energy procurement hinges on three pillars:

1. **Consumer Choice and Stable Competitive Rates:** By pooling the energy needs of our customers, MCE engages in strategic negotiations with power generators. This collective bargaining strength enables us to secure electricity at competitive and stable rates, often surpassing the offerings of traditional utilities in both cost and quality.
2. **Commitment to Carbon-Free and Renewable Energy:** MCE is steadfast in our commitment to procuring electricity from cleaner sources like solar and storage, wind, geothermal, biogas, and hydropower.
3. **Enhanced Local Control and Benefits:** MCE's model embodies local empowerment in energy decision-making. By choosing where and how our electricity is produced, MCE fosters local economic growth and job creation, while also contributing to the reduction of greenhouse gas emissions. Our approach ensures that the community's voice is central in shaping an energy future that is equitable, sustainable, and resilient.

MCE's energy procurement objectives are detailed in MCE's Integrated Resource Plan and are considered with a ten-year planning period that takes into account numerous dimensions:

- Load forecasts based on the number and types of customers, potential service territory expansions, opt-out rates, electrification trends, demand-side resources, and weather;
- Renewables and emissions targets;
- Agency-wide budgetary considerations and customer rate implications;
- Long-term contracting requirements and goals for new steel in the ground;
- Grid reliability needs and capacity requirements, including regulatory procurement mandates and compliance regulations;
- Goals for local resources, local resiliency, and local workforce development; and
- Goals for more equitable communities.

Renewable Energy Prepayment Transactions

MCE has been a leader in 100% renewable energy prepayment transactions since completing its first such transaction in 2021. By prepaying for renewable energy Power Purchase Agreements (PPAs) through non-recourse tax-exempt bonds, MCE can reduce the cost of energy from these fixed-price contracts by 10-13%. MCE's $600 million inaugural issue in 2021 and a subsequent $1 billion issue in late 2023 will save customers an estimated $10 million/year in renewable energy costs during the first 6 years. In 2025, MCE completed a third prepay, which is estimated to save ratepayers over $64 million in total.

MCE was the impetus behind the creation of the California Community Choice Financing Authority (CCCFA), the Joint Power Authority established to be the conduit issuer of the tax-exempt bonds. Over $19 billion in prepayment transactions have been issued by CCCFA since 2021 saving CCA customers over $126 million annually. CCCFA is the third largest issuer of tax-exempt bonds in the US in 2023, behind only the State of California and City of New York.

This leadership in renewable energy prepayment transactions exemplifies MCE's commitment to drive California towards an equitable, clean, affordable, and reliable energy economy, leveraging innovative financial strategies.

MCE's 43 MW Voyager Wind project.

State and Regional Goals and Policies

California's Renewable and Carbon-Free Energy Goals

California is aiming for 100% renewable and/or carbon-free energy by 2045, guided by SB 100 (2018) and SB 1020 (2022). While some renewables such as geothermal and bioenergy may emit minimal carbon, the state aims to balance environmental goals with affordability.

In addition to these statewide mandates, MCE has historically adopted agency-specific power supply targets that exceed minimum state requirements, reflecting Board direction at the time they were established. These agency targets are policy choices, not state mandates, and may be revisited by the Board over time based on affordability, reliability, and market conditions.

The table below summarizes both state-mandated targets and MCE-established policy targets for transparency. Staff anticipates returning to the Board in 2026 to discuss whether adjustments to MCE's agency-specific targets are warranted to help manage customer rates while continuing to meet all state requirements.

Target Year	Power Supply Target[1]	Established By	MCE Status
2029	75% renewable	MCE	TBD
2030	80% renewable	MCE	TBD
	60% renewable	California Renewable Portfolio Standard/SB 100 (2018)	Achieved since 2017
2035	90% renewable and carbon-free	California SB 1020 (2022)	Achieved since 2017
2035	100% renewable and carbon-free for all state agencies by 2035	California SB 1020 (2022)	Not applicable
2040	95% renewable and carbon-free	California SB 1020 (2022)	Achieved since 2022
2045	100% renewable and carbon-free	California SB 100 (2018)	On track

[1] Targets are for all retail electricity sales unless otherwise indicated. Any targets that include renewable and carbon-free refer to power supply from a combination of renewable and carbon-free sources.

Resource Adequacy

The CPUC established the Resource Adequacy (RA) policy framework in 2004, aimed at ensuring the safe and reliable operation of the grid in real-time. This policy mandates electricity providers, like MCE, to procure resources amounting to 118% of their forecasted peak demand. This extra 18% acts as a reserve, ensuring that even during unexpected demand surges or resource shortfalls, there's always sufficient power available to meet customer needs, and may increase in 2026.

MCE's 110 MW Daggett Solar Plus Storage project.

In 2025, the CPUC's RA framework underwent significant changes, requiring MCE to secure RA capacity on an hourly basis, moving away from the current peak-hour for any given month.

Hourly Emissions Reporting

The California Energy Commission's (CEC) Power Source Disclosure Program will require MCE to report emissions on an hourly basis, in addition to annually, starting in 2028. The CEC has also adopted more near-term changes affecting annual reporting as early as 2026 that will account for line losses. These Power Source Disclosure Program reforms collectively attempt to accurately reflect the extent to which a Load Serving Entity has procured sufficient energy on both an annual and hourly basis to meet its energy needs. This granular approach to emissions reporting aligns with the state's move towards more precise and transparent environmental accountability.

Strategic Implications for MCE

With the more granular emissions and RA accounting frameworks, MCE is increasingly focusing its procurement strategy on identifying and securing clean resources with generation profiles aligning closely with MCE's hourly energy and capacity needs, including procuring sufficient excess energy to account for line losses and battery charging needs as energy storage starts to play a more prominent role in MCE's portfolio. In instances where MCE's procurement does not align with these hourly needs, a higher attribution of emissions to our energy portfolio is expected.

The increased demand for carbon-free renewables within California and the broader western region may lead to a rise in costs for these resources, including new builds.

To maintain consistency and clarity in reporting and messaging regarding emissions, MCE will align its internal goals with the regulatory changes. This may involve developing parallel

reporting metrics to reconcile MCE's internal targets and objectives with the new external regulatory requirements.

Current Offerings

As of December 2025, MCE's participation rate—meaning all electric customers within our service area—is at an all-time high of 87.2%, representing more than 601,000 accounts.

MCE offers four electricity service options: Light Green, Deep Green, Local Sol, and Green Access. To ensure transparency, each year MCE provides the Power Content Label, required by the CEC, with a breakdown of energy sources and a comparison to California's "grid average" power mix. The Power Content Label is released each fall or winter for the previous calendar year.

2024 POWER CONTENT LABEL
Marin Clean Energy ("MCE")

	Deep Green	Local Sol	Light Green	Green Access	CA Utility Average
Greenhouse Gas Emissions Intensity (lbs. of CO_2e emitted per megawatt-hour)	**0**	**0**	**1**	**0**	**359**
Electricity Sources ■ Renewables and Zero-Carbon Resources ■ Fossil Fuels and Unspecified Power					
RPS Eligible Renewables	**100%**	**100%**	**69%**	**100%**	**45%**
Biomass & Biogas	0%	0%	2%	0%	2%
Geothermal	0%	0%	2%	0%	5%
Eligible Hydroelectric	0%	0%	4%	0%	2%
Solar	50%	100%	44%	100%	23%
Wind	50%	0%	17%	0%	14%
Large Hydroelectric	**0%**	**0%**	**31%**	**0%**	**10%**
Nuclear	**0%**	**0%**	**0%**	**0%**	**11%**
Emerging Technologies	**0%**	**0%**	**0%**	**0%**	**0%**
Other	**0%**	**0%**	**0%**	**0%**	**0%**
Natural Gas	**0%**	**0%**	**0%**	**0%**	**10%**
Coal & Petroleum	**0%**	**0%**	**0%**	**0%**	**2%**
Unspecified Power (primarily fossil fuels)	**0%**	**0%**	**0%**	**0%**	**22%**
Total	**100%**	**100%**	**100%**	**100%**	**100%**
Retail sales covered by retired unbundled RECs	0%	0%	2%	0%	

■ This label does not reflect compliance with the Renewables Portfolio Standard (RPS), which measures the use of tracking instruments called Renewable Energy Credits (RECs) over the course of multi-year compliance periods. RECs that are purchased separately from the renewable energy ("Unbundled RECs") can be used for RPS compliance, but they do not factor into the power mixes or GHG emissions intensities above.

■ GHG intensity figures exclude biogenic CO_2 and emissions from geothermal sources and grandfathered imports of firmed-and-shaped energy. For detailed information about all GHG emissions from California's retail electricity suppliers, visit the CEC webpage at the link below.

■ Unspecified power is electricity purchased from a genericized pool on the open market.

https://www.mcecleanenergy.org/

Want to learn more?
Visit https://www.energy.ca.gov/programs-and-topics/programs/power-source-disclosure-program

Light Green

Established in 2010, Light Green is MCE's primary service option. Customers initiating new electricity service within MCE's service area or starting MCE service as part of a new member community enrollment are automatically enrolled in Light Green unless they choose a different plan.

Light Green has maintained at least 60% renewable energy content since 2017, surpassing the state goal 13 years ahead of schedule, and 95% carbon-free since 2022[2], almost two decades ahead of state goals.

As of December 2025, approximately 586,094 accounts are enrolled in Light Green, up from 564,760 in 2024.

Deep Green Equity Focus

Established in 2010, Deep Green is MCE's most popular 100% renewable energy service option. Deep Green costs $0.0125 per kWh more than MCE's Light Green service. Half of the premium is allocated to a Local Development Fund to support new programs and renewable projects within our service area. In Fiscal Year 2024/25, $1 million was added to the Local Development Fund. To promote equitable access to renewable energy, CARE and FERA customers, who have lower income, are not charged the premium.

As of January 2026, 38,729 customers (6.7% of our customer base) are enrolled in Deep Green and just over 5,400 of those are CARE or FERA customers.

Local Sol Equity Focus

1 MW Cooley Quarry Project providing power to Local Sol. Located in Novato, CA.

Established in 2017, Local Sol is 100% solar energy sourced from a 1 MW solar farm in Novato. Local Sol guarantees stable rates directly tied to a 20-year Feed-In Tariff contract, initially costing about 30% more than Deep Green. From 2023-2025, Local Sol was the most affordable service option, including PG&E service, aside from Green Access, which is limited to a small set of specific customer groups. The Feed-In Tariff contract for Local Sol expires in 2037, prompting MCE to assess Local Sol's future as the date approaches.

---

[2] MCE uses the CEC Power Content Label reported emissions factor (lbs of CO2e emitted per megawatt-hour) to calculate its carbon-free percentage equivalent. GHG intensity figures exclude biogenic CO2 and emissions from geothermal sources and grandfathered imports of firmed-and-shaped energy. For detailed information about all GHG emissions from California's retail electricity suppliers, visit the CEC webpage. Resource Adequacy (RA) is not reflected in the CEC Power Content Label, which reports only delivered retail energy and does not account for individual load serving entity RA contracts. RA is procured to meet CAISO reliability requirements and is not attributed to MCE's retail energy portfolio for emissions reporting purposes.

As of December 2025, Local Sol was at full capacity, serving over 335 residential customers.

Green Access Equity Focus

Established in 2021, Green Access is 100% renewable energy at a 20% discount available to households who meet the income eligibility requirements for the CARE and FERA programs and are in one of the top 25% most disadvantaged communities statewide or the census tracts in the highest 5% of CalEnviroScreen's Pollution Burden. This includes Pittsburg, Richmond, and Vallejo in MCE's service area. Green Access is sourced from a 23 MW Cottonwood Solar project in Kern and Kings County. Green Access is funded through the CPUC Disadvantaged Communities-Green Tariff program.

As of December 2024, there were more than 5,800 customers enrolled in Green Access who had received $3.9 million in discounts.

Future Endeavors

Fossil-Free 24/7 Load Matching Pilot

MCE continues to explore and develop a pilot program to offer a 100% fossil-free product with hourly load matching for municipal customers, as approved by MCE's Board in 2025. If successful, it may become part of MCE's electricity service offerings in the future.

Green Hydrogen

MCE is interested in green hydrogen as a long-duration storage resource to diversify beyond lithium-ion batteries and utilize excess solar energy that may otherwise be curtailed. Given the state-wide push for hydrogen development, staff is engaging in regional coordination efforts to secure funding, assess partnerships, and ensure community engagement and concerns are proactively addressed. MCE's Responsible Green Hydrogen Principles outline the green hydrogen projects MCE seeks partners for - including guidance regarding community, environment, and safety.

The Alliance for Renewable Clean Hydrogen Energy Systems (ARCHES) is the State of California's initiative to accelerate renewable hydrogen projects and the necessary infrastructure. Alongside over 400 other groups, MCE is a founding member and a participant in the Power Working Group to develop a strategy to adopt responsible green hydrogen projects. However, the current administration resulted in the cancellation of the $12.6B ARCHES contract with the Department of Energy, sending a chilling effect through the entire ecosystem.

Asset Ownership

In response to volatile pricing and supply chain challenges that impact the reliability and efficiency of traditional contract-based resource acquisition, MCE is considering direct ownership of renewable energy generation, storage, resource adequacy, and grid enhancing technologies that optimize the efficiency, capacity, and reliability of electricity transmission networks.

MCE's steps toward asset ownership include:

- Securing Investment Grade Credit Ratings (Fitch "A-" and S&P "A" both with Stable Outlooks);

- Adopting a Bond Resolution allowing MCE to quickly access the bond market if needed to finance an acquisition;
- Establishing a Debt Policy to guide the situations where MCE may issue tax-exempt or taxable bonds to finance capital projects;
- Establishing and funding of an Asset Acquisition Account for equity contributions toward the purchase of a capital asset.

Asset ownership, in part or in whole, could introduce additional risks that MCE would not be exposed to normally through purchase contracts with third parties. However, these risks could be offset by operational contracts, and the incremental value and savings gained through asset dispatch and control, lower operational and financing costs and project life cycle benefits. Asset ownership is the next logical step for MCE in our journey to lead California to an equitable, clean, affordable, and reliable energy economy."

Section 5: Customer Programs

The purpose of MCE's Customer Programs is to reduce greenhouse gas (GHG) emissions, create more equitable communities, promote grid reliability, and deepen customer engagement. Customer Programs are funded by MCE, the California Public Utilities Commission, grants, and federal funding.

Grants and Federal Funding Awarded Since 2019

Grantor	Name	Prime or sub	Amount	Purpose
California Energy Commission (CEC)	Virtual Power Plant (VPP) Approaches for Demand Flexibility	Prime	$5,000,000	Expand the VPP
Strategic Growth Council	Transformative Climate Communities	Sub	$3,000,000	Electrification in Richmond
Department of Housing and Urban Development	2022 Earmark	Prime	$2,000,000	EV Charging Stations
Department of Energy	Charged by Public Power	Prime	$1,000,000	EV Community Focus Groups
Department of Housing and Urban Development	2023 Earmark	Prime	$850,000	Panel upgrades and other services
Marin Community Foundation	Resiliency Grant	Prime	$750,000	Solar + Storage for critical facilities, Marin
Department of Housing and Urban Development	2022 Earmark	Prime	$750,000	Expand Healthy Homes
Department of Energy	2022 Earmark	Prime	$500,000	Expand Energy Storage
Marin Community Foundation	Climate Justice Initiative	Prime	$380,000	Green Workforce, Marin
Marin Community Foundation	EV Grant	Prime	$180,000	Multifamily EV charging, Marin
Chevron	Community Investment	Prime	$35,000	Richmond Electrification
CEC	Advanced Energy Communities	Sub	$33,333	VPP Pilot

Total: $14,518,333

Reducing GHG Emissions
MCE's programs reduce GHG emissions and minimize grid strain by helping customers lower the amount of energy used in their homes and businesses. By reducing energy use during target peak hours, we help balance supply and demand, mitigating the need for more polluting energy sources (i.e. "gas-fired peaker plants"). Additionally, MCE's programs support clean transportation electrification, transitioning us away from fossil fuel dependency, which is a vital step in reducing our carbon footprint.

Fostering Equity
MCE's programs address the disproportionate burden of environmental pollution and the unequal access to climate-smart technology by prioritizing customers who may not otherwise have the opportunity to participate in the Just Transition to a clean energy economy.

Promoting Grid Reliability
With the growing impacts of climate change, such as more frequent and intense climate events from heatwaves, droughts, and wildfires, and the resulting power outages, customer programs are crucial in helping promote grid reliability by reducing overall energy consumption and shifting energy use out of peak hours.

Deepening Customer Engagement & Relationships
MCE's programs promote MCE as a trusted advisor to serve customers as a partner and resource in managing their energy needs, one that offers support and solutions beyond the role of electricity provider. This relationship-building is essential for creating a sense of community and shared purpose in tackling energy and environmental challenges.

Virtual Power Plant Strategies

MCE's Virtual Power Plant (VPP) strategy exemplifies our commitment to delivering efficient, sustainable, and equitable energy solutions. A VPP is a network of decentralized energy resources (DERs) that work together as a single power plant, orchestrated through advanced technology to optimize energy production, storage, and consumption. By integrating resources such as rooftop solar, batteries, smart thermostats, heat pumps, and EV chargers, VPPs enhance electricity distribution for efficient and sustainable energy use, especially during peak hours.

MCE's VPP initiatives vary from fully dispatchable systems, allowing MCE direct control for precise management, to non-dispatchable systems that use price signals to encourage customers to reduce their energy use. These strategies, coupled with performance-based incentives and automated EV charging tools, contribute significantly to stabilizing the grid to prevent power outages and promoting sustainable energy use.

Our approach to the VPP is deeply rooted in equity, ensuring that advanced energy technologies are not only accessible but are also actively deployed in low-income and historically underserved communities. This strategy democratizes access to clean energy technology, addresses energy insecurity, and provides stable, affordable energy solutions to those most in need.

MCE CEO, Dawn Weisz and Alexandra McGee, VP of Strategic Initiatives with a VPP-connect EV charger.

One of the first homes to be completely refurbished as part of MCE's Richmond VPP project.

State and Regional Efforts

Grid reliability remains a priority focus of state policymakers, regulators, and system operators since the heat events in August 2020 and September 2022. To enhance grid stability, California continues to develop policies, programs and tools intended to reduce customer energy use during high-demand periods, including demand flexibility, DER integration and VPP participation.

The CPUC is assessing the future of demand flexibility in the new Demand Response proceeding opened in 2025. In 2025, CAISO also launched the new Demand and Distributed Energy Market Integration initiative to explore enhancements to market participation models for distributed resources, including VPPs.

MCE's advocacy in these proceedings has largely been to ensure that MCE's load-modifying programs and VPP can serve our customers' needs, lower costs, support grid reliability, and advance decarbonization goals.

Current offerings

MCE Sync Equity Focus

MCE Sync, launched in 2021, is an app-based load shifting program that helps customers automate EV charging at home using the least expensive and cleanest energy. The program provides customers with an enrollment bonus and significant energy savings and incentives for charging during the lowest carbon times. Since its launch, the program has expanded to enable more EV drivers to benefit from VGI (Vehicle to Grid Integration) functionality and incentives that reduce the cost of EV charging at home, with a marketing focus on low- to moderate-income populations.

In 2024, MCE launched a Dynamic Pricing Pilot aimed at saving drivers money, while testing the capability of pairing managed charging with dynamic signals to improve grid stability, lower energy costs, and boost renewable energy use in California.

In 2025, MCE launched a pilot to offer free smart home EV chargers to income qualified customers for whom vehicle compatibility is a barrier to enrolling MCE Sync. This pilot is expected to continue through 2026.

Category	Details
Goals	- Enroll 7,200 EVs by March 2027 - 70% smart charging enabled - 20% daytime charging - 92% home charging delivered off-peak - 1,000 dynamic pricing enrollments - 20 EV charger rebates
Progress to Date	- 4,500 enrolled EVs (as of December 2025) - 70% smart charging enabled - 16% daytime charging - 600 dynamic pricing enrollments - Average monthly customer savings: $8 - Total customer incentives: $273,392 - 94% home charging delivered off-peak - 5 EV charger rebates
Funding	- MCE: $926,692 proposed budget for Fiscal Year 2026/27
Implementer	- ev.energy

Peak Flex Market

Peak Flex Market, launched in 2021, helps balance electricity supply and demand and support grid reliability by encouraging program participants to reduce demand during the peak hours of 4-9pm. This program was previously focused on event-based Demand Response but with new funding authorized by CPUC in late 2025, the program will focus on daily load shifting in 2026 and beyond.

Peak Flex Market works as an open market of qualified aggregators, each with a portfolio of projects delivering their own daily load shifting solutions. Starting in 2026, with the transition to CPUC funding this program will be able to provide additional funding for some of MCE's current Distributed Energy Resource programs, such as MCE Sync and the Energy Storage Program, to further extend our services to customers.

Peak Flex pays aggregators for daily load shifting out of peak periods using Advanced Metering Infrastructure (AMI) data and individual device data to measure results.

Category	Details
Goals	4 MW of flexible load with 1,000,000 kWh of shifted load in 2026
Progress to Date	In 2022, which was the latest year with major summer events which required load shifting:

	- 2,194 sites participated - 6 participating aggregators - 15 demand response events called - $80,000 in customer incentives - 42,000 kWh saved during 4-9pm peak - Max hourly reduction: 3MW
Funding	- CPUC: $4,000,000 through 2026-2027
Implementer	- Alternative Energy Systems Consulting (AESC)

Energy Storage Equity Focus

MCE's Energy Storage Program, launched in 2020, supports residential and non-residential customers by providing rebates, monthly bill credits, and financing to install battery energy storage systems paired with solar. In exchange, customers discharge the battery daily from 4-9pm to reduce peak loads and mitigate high energy costs. Non-residential customers may also qualify for annual performance-based payments.

Although MCE funding for this program has been fully allocated, additional funding from the Department of Energy (DOE) Earmark and the Marin Community Foundation allowed us to continue recruiting new customers in 2025. As of January 2026, all available battery storage funds have been fully allocated to customers, and the program is closed to new enrollments.

Category	Details
Goals	- Install 1 MWh of non-residential energy storage projects, funded with the DOE Earmark, by 2028
Progress to Date	- Over 2.5 MWhs of storage installed at 76 homes and 13 critical facilities - An additional 1.3MWh in development across 7 new commercial sites
Funding	- MCE: $9,000,000 MCE Resiliency Fund - CPUC: Over $1 million in awards reserved for customer projects through the CPUC's Self-Generation Incentive Program (SGIP) - Marin Community Foundation grant: $750,000 - DOE Federal Earmark: $500,000
Implementer	- MCE

"We are always looking for ways to improve the quality of life for our residents. Battery backup during power outages is very important to our senior residents and gives them peace of mind." – ***Kit Krauss, Board Chair of the Two Valleys Community Land Trust***

Solar Storage Credit

MCE offers customers with solar and storage at their home a monthly bill credit ($10-$20) in exchange for automating battery discharge down to a 20% reserve margin daily from 4-9 p.m.

Category	Details
Goals	- Enroll 2,447 solar + storage residential customers (20% of those identified) by the end of 2026
Progress to Date	- 1,560 customers enrolled as of January 2026
Funding	- MCE: $360,000
Implementer	- MCE

Richmond VPP Pilot Equity Focus

MCE was asked to join a collaborative effort to develop a Virtual Power Plant pilot in the City of Richmond, one of California's environmental justice communities, in 2022. The pilot uses a variety of networked residential and commercial DERs like rooftop solar, batteries, EV chargers, smart thermostats, and heat pumps to shift participant demand in real time. MCE uses a first of its kind custom-built Distributed Energy Resources Management System (DERMS), licensed in perpetuity to MCE, to shift and shape customer load to times of day when the energy is cleanest and least expensive for participants. Customers are compensated for their load shifting based on MCE's VPP Tariff.

Participants include previously abandoned, blighted homes acquired by RCF Connects and then fully rehabbed into 21st century all-electric homes (Zero Net Carbon Ready, ZNCR). These ZNCR homes are sold for less-then-market rates to first-time, lower-income homeowners to simultaneously support grid reliability while aiding in community revitalization - showcasing how technology and equity can work hand in hand. Other participants include lower income residents MCE previously subsidized solar cost for, and local business and multi-family facilities which received energy system improvements.

Category	Details
Goals	- Up to 100 residential and 20 commercial participants by January 2026
Progress to Date	- 33 residential participants and 1 multifamily (serving 144 units) completed, 12 DER types installed - 3 Zero Net Carbon Ready (ZNCR) homes fully rebuilt and sold to first-time lower-income homebuyers; 2 more in progress - 9 DER types successfully integrated with the DERMS - $382,826 invested in DER technologies and incentives invested in Richmond, a state-identified Disadvantaged and Low-income community
Funding	- MCE: $208,729 - CEC: $5,000,000
Implementer	- MCE, Serious Controls, Zero Net Energy Alliance, Community Energy & Equity Resources (CEER) LLC

A brief video overview of MCE's virtual power plant concept

VPP FLEX Equity Focus

The California Energy Commission awarded MCE a $5,000,000 VPP FLEX grant to expand the VPP pilot to MCE's full service area. This will allow MCE to weave together all eligible customer programs under a singular umbrella of the VPP.

MCE will update the DERMS to be OpenADR 3.0 certified, integrate the VPP with CAISO markets to capture CCA revenues, and implement a value sharing plan between MCE and participants. VPP FLEX scales MCE's efforts in three key ways:

1. Adaptation of MCE's existing programs to be VPP-ready
2. Integration of existing third party or customer owned DERS into MCE's VPP ecosystem
3. Deployment of new DERs at commercial, public, industrial, or other non-residential facilities

Importantly, there is no "one size fits all" for DER installation. Collectively, we will schedule the VPP in CAISO markets, just as we do today with traditional power plants. Residents will be paid for their participation through the VPP Tariff. Ultimately, the VPP provides load-shifting and cost reduction, which benefits all customers. MCE will begin enrolling new participants and growing its engagement with VPP Partners beginning in 2026.

Category	Details
Goals	- Adapt eligible MCE Programs to be VPP-ready by expanding from 9 DERMS-integrated DERs to 15 (low target) or up to 30 (high target) by 2029 - Coordinate a 3 MW load shift by 2029 - Demonstrate a 20% cost recovery by 2029
Funding	- MCE: $5,000,000 ($1,250,000 proposed budget for Fiscal Year 2026/27) - CEC: $5,000,000
Implementer	- MCE - Major Partners: Serious Controls, CEER, Lawrence Berkeley National Labs

Building Electrification

MCE is at the forefront of promoting building electrification as a key strategy to reduce greenhouse gas emissions and transition to a cleaner energy future. Our programs support the adoption of electric heat pumps, water heating solutions, and other electric technologies that enhance energy efficiency and reduce reliance on fossil fuels.

MCE developed a "Reach Code Toolkit" in partnership with Marin County, designed to help municipalities interested in adopting building codes that go beyond the California Building Standards Code in terms of supporting the adoption of electric equipment. Staff has served in an advisory role to the County of Marin's all-electric reach code steering committee since 2022.

The Bay Area Regional Network (BayREN) also has a program to promote reach code development.

State & regional goals & policies

BAAQMD NOx Appliance Ban

In 2023, the Bay Area Air Quality Management District (BAAQMD) adopted rules that regionally prohibit the sale of new natural gas water heaters, furnaces and large commercial water heaters starting in 2027, 2029, and 2031 respectively.

CPUC Energy Efficiency Motion to Eliminate Natural Gas Incentives

In April 2023, the California Public Utilities Commission adopted a decision to eliminate incentives for natural gas energy efficiency measures.

Self Generation Incentive Program Heat Pump Water Heater Program

In 2022, the California Public Utilities Commission adopted additional incentives and guidance to promote the distribution of electric heat pump water heaters in broader support of the state's decarbonization goals. MCE's programs will apply for these funds to complement our rebates.

Current offerings

Green Workforce Pathways Equity Focus

To meet California's climate goals and realize a just and equitable transition from fossil fuels to a low-carbon energy economy, contractors need education and support to expand their businesses to electric technologies, scale their workforce, and create sustainable green jobs. MCE's Green Workforce Pathways program supports both residential service contractors and job seekers. For contractors, MCE offers funding to attend industry training opportunities as well as connections to vetted job seekers. For job seekers, MCE creates pathways into sustainable, long-term careers.

Green Workforce Pathways provides:

- Industry outreach and networking and feedback opportunities to energy efficiency industry professionals, workforce development groups, community-based organizations, and local governments
- Education and technical support to upskill the electrification workforce
- Matching and funding for job seekers with local contractors for industry development
- Recruitment and mentorship support
- Career development support for job seekers, including interview and resume skills

Category	Details
Goals	In 2026: - Enroll up to 13 contractors to support the paid work experience participants - 15 electrification training stipends - 3 in-person electrification trainings hosted for job seekers

	- 14 job seekers placed in paid work experience - 80 job seekers provided with supporting job placement services - 2 training improvement projects
Progress to Date	- 5 online electrification workshops with 340 registrants - 2 in-person electrification trainings - 15 local contractors completed individualized field meetings to build electrification skills and get support growing their business - 11 local contractors enrolled and available to provide on-the-job experience to local job-seekers - 16 contractors received stipends to attend manufacturer training - 190 trainees received supportive job placement services - 52 trainees have participated in paid work experience with local contractors - 50% of trainees placed with local contractors were hired into permanent jobs - 15 minority-, women-, and veteran-owned small contractors completed an electrification and business development training sponsored by MCE.
Funding	- CPUC: $500,493 for 2026
Implementers	- Strategic Energy Innovation, Association for Energy Affordability, LIME Foundation


Green Workforce Pathways participants and contractor.

Home Energy Savings Equity Focus

MCE's Home Energy Savings program delivers energy savings, improves comfort, enhances indoor air quality, and contributes to greenhouse gas emissions reductions. This program offers no-cost assessments and home upgrades to eligible homeowners and tenants residing in single-family dwellings within MCE's service area. To ensure equitable reach, the program focuses on homeowners and renters in specific neighborhoods with a higher concentration of lower-middle-income customers.

The program specifically targets moderate-income customers whose household income falls under 400% of the Federal Poverty Guidelines. These customers typically exceed the income limit for services provided by programs like the Energy Savings Assistance program. However, their income constraints still prevent them from participating in market rate programs, placing them in the lower-middle income bracket.

The program offers the following services: initial energy assessment and education with single point of contact customer service, and energy-efficient and electrification measures, such as heat pump water heaters or heat pump space heaters, installed in single-family homes.

Category	Details
Goals	- 325 home energy efficiency upgrades in 2026 - 100 homes with electrification upgrades
Progress to Date	- 2,105 single family homes upgraded with energy efficiency and/or electrification from 2019-2025 - 123 homes received no-cost electrification measures
Funding	- CPUC: $2,800,000 annually - California Strategic Growth Council grant[3]: $3,000,000 - Chevron grant funds: $35,000
Implementer	- Franklin Energy

"My motivation to participate in the program is because I will reduce my electricity bill, I won't be using more gas, and because they [installed a] magnificent [heat pump space conditioner]. My experience with MCE has been marvelous. The [installer has been] very educated, kind, and respectful. You have a great program and I invite [everyone] to participate in this stupendous program so as not to further contaminate the planet." – ***Teresa, Home Energy Savings customer in Pittsburg, CA***

[3] The City of Richmond was awarded $35M by the California Strategic Growth Council to support 10 disadvantaged, unincorporated and tribal communities with capital improvement projects to reduce emissions, improve public health and expand economic activity. GRID Alternatives will provide solar installs and MCE will provide energy efficiency through Home Energy Savings.

Multifamily Energy Savings Equity Focus

The Multifamily Energy Savings program provides no-cost comprehensive energy efficiency assessments, assists with contractor solicitations and project planning to ensure quality work, disburses rebates for individual unit and whole-building upgrades for energy efficiency and electrification upgrades that reduce energy costs and improve home comfort. The program addresses many social and economic challenges that can hinder energy improvements in multifamily buildings, including both common areas and individual tenant units. Typical barriers include costs, coordinating numerous stakeholders, and lack of technical knowledge needed to assess needs and evaluate options.

Category	Details
Goals	- 2-5 properties and 50-200 units with energy efficiency upgrades in 2026 - Up to 200 units with electrification upgrades
Progress to Date	- 5,300 multifamily units received energy efficiency improvements - 328 units received no-cost electrification measures
Funding	- CPUC: $1,100,194 for 2026
Implementer	- Association for Energy Affordability

Electrification Incentives

To grow the heat pump water heater (HPWH) industry ahead of regional and statewide policy implementation, MCE offers up to $1,500 in rebates to market rate customers for each energy-efficient HPWH unit installed and low to no cost HPWHs for low/moderate income.

Category	Details
Goals	- 685 electrification and readiness installs by April 2027
Progress to Date	- 700 electrification and electrification readiness measures (heat pump HVAC, water heater, heat pump dryers, induction cooktops) installations completed[4]
Funding	- MCE Local Programs Fund Proposed Budget: $942,000 in 2026
Implementer	- AEA, Franklin Energy, AESC, MCE

[4] Electrification installations support the goals of CPUC-funded programs, e.g. MFES, HES, and Flex Market. The number of installations listed in this chart are also included within the installation numbers listed in the MFES, HES, and Flex Market programs and should not be combined for reporting purposes.

Emergency Water Heater Loaner Incentive

MCE is closing the Emergency Water Heater Loaner Incentive program in FY 2026/27 due to low participation and to redirect funds towards other electrification programs with higher customer demand.

Electric Vehicles

State & regional goals & policies

In alignment with state and regional goals, MCE is actively supporting the transition to zero-emission vehicles. This aligns with Governor's Executive Order N-79-20, targeting 100% zero-emission new vehicle sales by 2035, with medium- and heavy- duty vehicles to follow in 2045.

In addition, California's Advanced Clean Cars II regulation, adopted by the California Air Resources Board in 2022, requires more zero-emission vehicles to be sold starting in 2026, accelerating EV adoption statewide. This policy reinforces the importance of MCE's investments in electric vehicle adoption through customer incentives for electric vehicles and charging infrastructure, helping reduce upfront costs for our local communities.

Market trends

While EV adoption is expected to temporarily cool off in 2026, due to policy, competition, and incentive changes, global and statewide progress in EV adoption is expected to continue with new technology and affordable vehicle models entering the market. MCE's EV strategy in 2026 will continue to address barriers to adoption, including EV education, affordability, and charging availability and reliability, with a focus on priority populations.

The combination of imposed tariffs and end of the Federal EV Tax Credits have resulted in a sharp drop in EV adoption in October and November (reports of 30-40% nationwide). There was a large spike in July - September and then a quick drop off. MCE's EV Instant Rebates program has seen the same trends. However, it is important to mention that even with the drop off, sales were still higher than this time last year. Industry forecasts point to a 20% decline in EV sales in 2026.

Tariffs have increased production costs for automakers, driving up costs and impacted vehicle affordability. The absence of the Federal EV Tax Credit has further impacted affordability. In the short term, some OEMs extended manufacturer incentives to cushion the loss.

EV affordability is driving automakers to focus on smaller, more affordable EVs, Hybrids, and Extended Range EVs (EREVs). EREVs are different from EVs, in that they work like a fully electric plug-in vehicle but have a small onboard gas engine that acts as a generator to charge the EV battery. The EPA considers this a Plug-In Hybrid (PHEV). Additionally, some automakers are weighing production for US market vs foreign markets, to compete with EU and China.

How MCE programs can respond:

- Add language about EREVs to EV Basics and future collateral
- Enhance focus on EV education, focus on drive experience, technology, in addition to cost savings
- Continue to support EV infrastructure and reliability to ease range anxiety concerns
- Increase storytelling to increase positive consumer perspective of EVs
- Explore policy levers for addressing EV affordability

Current offerings

EV Charging Equity Focus

To support California's goal of 5 million EVs on the road by 2030, California estimates a need for more than 1 million public and shared charging ports by 2030. While the interim target of 250,000 chargers by 2025 has largely been met, significant gaps remain in where charging infrastructure is available. Approximately 80% of EV charging occurs at home, and MCE is focused on installing EV chargers at multifamily properties and workplaces, which are lagging in EV adoption. Installation of charging equipment is typically much more expensive at multifamily homes compared to single-family homes, deterring residents and property managers from installing them.

MCE's Joy Massey, Manager of Customer Programs, and Board Members from Marina Bay HOA in Richmond stand in front of newly installed EV chargers.

MCE's EV Charging program, launched in 2018, provides EV charging station rebates, with bonus incentives for stations connected to 100% renewable energy service, free technical assistance to support the property manager, and tenant education and engagement to speed up EV adoption.

The program offers:

- Up to $4,500 per networked Level 2 charging port
- Up to $5,500 in DACs and low-income communities in Contra Costa County through a CEC-funded grant with the Contra Costa Transportation Authority
- Free Level 2 charging ports at affordable multifamily properties in Marin through a Marin Community Foundation grant
- Up to $2,500 per networked Level 1 charging port
- Support to align and combine with other incentives

Category	Details
Goals	- 400 new charging ports by April 2027

Progress to Date	- 1,400 new charging ports at 142 locations

Funding	- MCE:
	  - Local Programs Fund $5,700,000 from 2019-2026
	  - Proposed Budget for FY 2026/27: $2,289,137
	- Marin Community Foundation: $180,000
	- CEC: $1,500,000
	- DOE: $986,461

Implementer	- CLEAResult

EV Instant Rebate Equity Focus

MCE's service area density of electric vehicle (EV) ownership is among the highest in the nation at 6%. Switching to an EV saves the average household $1,000 annually[5]. However, the higher upfront cost of an EV keeps them out of reach for lower-income households, who could greatly benefit from lower fuel and maintenance costs. MCE's EV Instant Rebate program lowers the cost of purchasing or leasing EVs for income-qualified customers.

EV rebate recipient, Sandra

Launched in May 2023, the program offers up to $3,500 in savings ($3,500 for new and $2,000 for used) on the purchase or lease of an eligible EV at participating dealerships. MCE's EV Instant Rebate may be combined with other available incentives to reduce the final vehicle cost by up to $18,000 depending on vehicle and customer eligibility.

In FY 2026/27, efforts to strengthen the income verification process will include mandatory quarterly income verification for a percentage of program participants with rebate claw backs for customers who don't meet requirements.

Category	Details
Goals	- 876 new Participants by April 2027
Progress to Date	- 2,381 Low Income Customers purchased or leased an EV with an MCE rebate
Funding	- MCE: $6,900,000 2023-2026 - Proposed Budget for FY 2026/27: $3,594,500
Implementer	- Energy Solutions

[5] https://www.epa.gov/greenvehicles/what-if-one-your-cars-was-electric

Bidirectional Vehicle Tariff Pilot

MCE's Bidirectional Vehicle tariff is a three-year pilot, launched in 2025, that provides customers a credit for energy exported from a compatible EV to their property (Vehicle-to-Home) or directly to the grid (Vehicle-to-Grid) during peak time periods of the day. As a pilot, MCE reserves the right to limit the number of customers enrolled in the tariff. This technology is still in an early phase of development and is not yet commercially available to most customers. MCE is actively tracking the availability and adoption of this technology to determine when it makes sense to invest in the data collection tools needed to implement this tariff.

The pilot tariff offers the following incentives:

- 2025 Incentive Rates
  - Summer: $0.26/kWh
  - Winter: $0.20/kWh
- Maximum Monthly Bill Credits
  - Residential: $70 ($90 if located in a state-designated disadvantaged community)
  - Commercial: $300 ($400 if located in a state-designated disadvantaged community)

MCE Sync Equity Focus

This program is described under the Virtual Power Plant section above.

Energy Efficiency

State & regional goals & policies

Equity Segment Programs

In 2021, the California Public Utilities Commission created an Equity Segment within its ratepayer funded energy efficiency portfolio programs. The goal of the Equity Segment is to provide the benefits of energy efficiency programs, beyond energy savings, to communities and customers historically underserved by similar programs. Equity Segment programs are exempt from traditional CPUC cost-effectiveness requirements. Equity Segment and Market Support program budgets are limited to 30 percent of a portfolio administrator's budget.

Affordability

Executive Order N-5-24 (2024)

In October 2024, Governor Newsom issued Executive Order N-5-24 in response to recent increases in electric bills outpacing inflation. Executive Order N-5-24 requires the California Public Utilities Commission to take additional steps to ensure public purpose programs like its energy efficiency portfolio programs do all that they can to improve electric affordability.

Layering Program Funding

In June 2023, the California Public Utilities Commission adopted a Decision allowing and encouraging ratepayer funded program administrators of energy efficiency programs to supplement program funds with outside funding sources to the greatest extent possible. The

CPUC allows program administrators to layer in additional funds without including them in cost-effectiveness calculations.

Equitable Building Decarbonization

In November 2024, the California Energy Commission approved funding in Northern, Central and Southern California for direct-install energy efficiency and building decarbonization measures serving historically underserved households. The goal of the program is to reduce greenhouse gas emissions from buildings, improve resiliency from extreme heat, improve air quality, strengthen energy affordability, improve grid reliability and to support the local workforce. The California Energy Commission approved MCE as a partner on the Northern California Regional team. In September 2025, the California Energy Commission approved MCE's proposed designation of Richmond and the Contra Costa Refinery Corridor as priority communities to serve.

Zonal Decarbonization

Senate Bill (2024)

Requires the California Public Utilities Commission to authorize no more than 30 cost-effective, zonal decarbonization pilot projects in environmental and social justice communities across the state. Pilot projects will combine measures to electrify end uses and gas corporations may cease to offer gas service in pilot communities.

Building Appliance Rules

Bay Area Air District Rules 9-4 & 9-6 (2023)

In 2023, the Bay Area Air District adopted rules to limit the sales of natural gas space and water heating appliances to decrease harmful nitrogen oxides pollution starting in 2027. In 2025, the Bay Area Air District sought public feedback on flexibility focused amendments to the adopted rules that still support a transition to zero-emissions appliances.

Meter-Based Savings

Assembly Bill 802 (2015)

Requires the California Public Utilities Commission to incorporate meter-based performance into its determinations of goals, energy efficiency portfolio cost-effectiveness, and authorized budgets.

Normalized Metered Energy Consumption

Since 2015, the California Public Utilities Commission has consistently reaffirmed its preference for continuing to expand the deployment of energy efficiency programs that use normalized metered energy consumption (NMEC) to measure energy savings. This preference is included in the Commission's move to a Total Systems Benefit Metric.

Integrated Demand Side Management

In June 2023, the California Public Utilities Commission authorized energy efficiency portfolio administrators to use a portion of its budget on integrated demand side management measures that support grid reliability. In September 2025, the California Public Utilities Commission approved MCE's proposed integrated demand side management program.

Market Trends

Non-residential customers are often the biggest energy users and face some of the highest energy costs. Many focus first on production, quality, safety, and routine maintenance, so energy efficiency upgrades can get overlooked, even when they can improve safety and save money. These customers can benefit from specialized support to identify the right opportunities and feel confident that recommendations are accurate, practical, and likely to deliver the expected savings and incentives.

MCE helps customers reduce their energy consumption and costs while supporting core business objectives, including improvements in facility operations, reliability, and efficiency.

Current offerings

Energy Management: Rebates to Complete Capital Projects

Energy Management provides MCE's agricultural, industrial, and large commercial customers with site energy audits, project development support, and rebates for installing energy saving equipment.

Category	Details
Goals	- 1,265,995 kWh and 190,742 Therms savings in 2026
Progress to Date	- 333 measures have been installed since 2021 that produce more than 8.7 million kWh in energy savings annually
Funding	- CPUC: $1,554,000 for 2026
Implementer	- CLEAResult

Strategic Energy Management

Strategic Energy Management offers a long-term approach to help businesses save money, earn financial incentives, and better manage their energy usage. Participants can access cohort-style training, onsite assessments, individual coaching, and peer-to-peer learning to build a stronger energy culture within their organization. Strategic Energy Management has a special focus on finding opportunities to change how existing equipment is used (as opposed to installing new equipment) that have little to no-upfront cost but result in significant bill savings for the customer. Strategic Energy Management projects report on annual savings with detailed energy models to capture changes made to equipment or operations from the previous year.

Category	Details
Goals	- 1,166,722 kWh and 225,897 Therms savings in 2026

Progress to Date	- 30 customers currently participating - 1,632,171 kWh and 233,644 Therms saved to date
Funding	- CPUC: $1,483,895 for 2026
Implementer	- CLEAResult

Flex Market

MCE's Commercial and Residential Efficiency Market Programs provide energy efficiency incentives directly to project developers or contractors known as aggregators. The incentives are based on metered energy savings, instead of traditional energy efficiency programs, which utilize deemed or custom models. As a result, these programs do not limit the technology or energy saving strategies implemented, resulting in the opportunity to maximize energy efficiency and load-shifting projects.

As the incentive is paid directly to the aggregator, the value is passed along to the customer in the way that best drives the success of the project, either by buying down upfront costs or through performance-based payments.

Category	Details
Goals	- 19,003,809 kWh and 60,828 Therms savings in 2026 - Commercial: 18,803,422 kWh; 30,845 Therms - Residential: 200,387 kWh; 29,983 Therms
Progress to Date	- 116 projects with over 1.21 GWh of savings
Funding	- CPUC Energy Efficiency: $7,543,720 for 2026 - (Commercial $6,733,937, Residential $809,783)
Implementer	- Alternative Energy Systems Consulting (AESC)

Small Business Energy Advantage Equity Focus

MCE's Small Business Energy Advantage program serves MCE's small and medium businesses located in Disadvantaged Communities and low-income neighborhoods with the goal of delivering meaningful bill savings and other non-energy benefits. The program objectives include:

- Filling gaps in services that are not currently provided by other MCE programs;

- Providing solutions that compliment or leverage existing programs in MCE's service area;
- Sustained energy efficiency benefits, as well as those focused during the summer peak period of 4-9pm June – September;
- Providing on-going technical support, commissioning, and training;
- Reducing cost barriers to install EE measures by offering incentives that result in little or no customer copays;
- Increasing equitable access to program resources through strategic outreach and engagement strategies that focus on marketing efforts in DAC and Low-income communities; and
- Focusing on Non-Energy Benefits ("NEBs"), including methodologies to quantify their value.

MCE's Senior Business Development Manager, Martin Bond, with SBEA outreach staff at a local business.

Category	Details
Goals	- 325 Projects in 2026
Progress to Date	- 160 projects completed since October 2024
Funding	- CPUC: $970,000 for 2026
Implementer	- Resource Innovations

Section 6: Risk Mitigation

MCE is committed to proactively addressing risks that could impact the success of our programs and initiatives.

MCE regularly reviews risks, updates mitigation strategies, and engages staff and stakeholders to ensure a proactive approach to challenges such as market volatility, supply barriers, and regulatory risks. MCE's Risk Oversight Committee includes MCE's Executive Team, leadership from the Finance, Power Resources, Legal and Policy Departments, and consultants. It meets quarterly to monitor key market indicators, agency performance, and compliance with the MCE Energy Risk Management Policy. By embedding risk management into our planning, we can continue delivering equitable, reliable, and sustainable energy solutions.

Erosion of CCA Autonomy

Increasing legislative and regulatory oversight threatens the independence of CCAs. Examples include:

- CPUC interference in service expansion plans based on Resource Adequacy (RA) compliance.
- Centralized procurement efforts reducing CCAs' procurement autonomy and risking over-procurement or misalignment with specific resource needs, increasing costs and reducing flexibility.
- Legislative mandates, such as AB 3264, requiring CPUC oversight of demand-side programs funded solely by CCAs, and judicial rulings expanding CPUC jurisdiction over CCAs.

- *Mitigation:* Advocate for CCA interests in regulatory and legislative arenas, engage stakeholders to highlight the value of local decision-making, and collaborate with industry groups to protect CCA autonomy.

Regulatory Complexity and Expanding Scope

Shifts in state or federal regulations may affect compliance, increase costs, and stifle innovation. The increasing scope of regulations, such as Load Management Standards (LMS) and stricter reporting requirements, creates operational and compliance challenges.

- *Mitigation:* Maintain active engagement in regulatory proceedings for more flexible solutions, build internal capacity for compliance, and invest in technology to streamline regulatory reporting.

Supply and Demand Imbalance

To meet its projected load growth and its renewable energy, zero-carbon energy and greenhouse gas emissions requirements, California has estimated that it needs 165 GW of

new resources by 2045[6]. The "duck curve," caused by midday solar oversupply and evening demand peaks, challenges grid stability.

- *Mitigation:* Expand programs like Virtual Power Plants, promote demand-side flexibility, off-peak energy use and energy efficiency, and enhance storage and solar integration to match supply with demand.

Financial Constraints
Rising procurement costs, supply shortages, and increasing demand from electrification could strain resources. Changes to PG&E's Power Charge Indifferent Adjustment fees could increase MCE customer costs, reducing competitiveness.

- *Mitigation*: Build and maintain robust financial reserves, pursue diverse funding sources, and invest in cost-saving strategies like renewable energy prepayment transactions.
- *Mitigation:* Defer revenue ($70 million) to recognize in years where results may not be strong, work with rating agencies to continue MCE's investment grade credit ratings, and negotiate collateral thresholds with suppliers to reduce collateral postings.

Governance, Trust, and Public Confidence
As a public agency governed by a large, rotating Board of local elected officials, MCE operates in a complex governance environment that requires clear roles, consistent information to support policy making, and shared understanding among the Board, staff, and public. Misalignment around expectations, information flow, or governance processes can create confusion, slow decision-making, and affect stakeholder and public confidence and understanding.

- *Mitigation:* Strengthen governance practices and public understanding by:
    - Providing clear, consistent, and timely information to the Board to support informed oversight and decision-making.
    - Reviewing governance practices, structure, and decision-making processes to ensure they align with best practices for large public agencies and joint powers authorities.
    - Offering ongoing orientation and education for Board members to support shared understanding of MCE's operational, financial, and regulatory context.
    - Engaging in open, public dialogue to address questions or concerns, correct misinformation, and reinforce public trust in MCE's governance and leadership.
    - Ensuring accuracy and simple messaging in MCE communications.

Market Dynamics
Volatility in energy markets could impact procurement strategies.

- *Mitigation*: Diversify energy procurement, leverage long-term contracts, seek opportunities for asset ownership and monitor market trends.

[6] CAISO 20-Year Transmission Outlook, published 7/31/2024: https://www.caiso.com/generation-transmission/transmission/transmission-planning

Technology Risks
Emerging technologies may face adoption, scalability, or cost barriers.

- *Mitigation*: Pilot emerging technologies before scaling, collaborate with industry experts, and prioritize proven solutions while exploring new innovations.

Climate and Grid Resiliency
Climate events like wildfires and extreme weather may disrupt grid reliability and energy access.

- *Mitigation*: Expand DERs, enhance local resilience, and support customers with backup energy solutions.

Appendix A

State-Designated Disadvantaged & Low-Income Communities

County	Community	Designation & # of Census Tracks[7]
Contra Costa ● 36 CalEnviroScreen census tracts ● 92 AB 1550 census tracts ● 36 CEJST census tracts ● 31 Department of Water Resources (DWR) Disadvantaged Communities census tracts ● 17 Federally Designated IRS Opportunity Zones census tracts	Richmond	CalEnviroScreen (10), AB 1550 (16), CEJST (11), DWR Disadvantaged Communities (8), IRS Opportunity Zones (1)
	North Richmond	CalEnviroScreen (1), AB 1550 (1), CEJST (1), DWR Disadvantaged Communities (1), IRS Opportunity Zones (1)
	Martinez	CalEnviroScreen (1), CEJST (1)
	Concord	CalEnviroScreen (2), AB 1550 (15), CEJST (6), DWR Disadvantaged Communities (3), IRS Opportunity Zones (4)
	Baypoint	CalEnviroScreen (4), AB 1550 (4), CEJST (3), DWR Disadvantaged Communities (2), IRS Opportunity Zones (2)
	Pittsburg	CalEnviroScreen (7), AB 1550 (12), CEJST (7), DWR Disadvantaged Communities (5), IRS Opportunity Zones (3)
	Antioch	CalEnviroScreen (5), AB 1550 (14), DWR Disadvantaged Communities (5), IRS Opportunity Zones (4)
	Oakley	CalEnviroScreen (1), AB 1550 (2), CEJST (1)
	San Pablo	CalEnviroScreen (5), CEJST (5), DWR Disadvantaged Communities (3), IRS Opportunity Zones (1)
	Crocket	AB 1550 (1)
	Pinole	AB 1550 (2)
	Tara Hills	AB 1550 (1)
	El Sobrante	AB 1550 (3)
	El Cerrito	AB 1550 (4), CEJST (1), DWR Disadvantaged Communities (1), IRS Opportunity Zones (1)
	Brentwood	AB 1550 (3)
	Bethel Island	AB 1550 (1)
	Byron	AB 1550 (1)

[7] Number of census tracks in California's top 25% most disadvantaged

	Martinez	CalEnviroScreen (1), AB 1550 (6), DWR Disadvantaged Communities (1)
	Walnut Creek	DWR Disadvantaged Communities (2)
Solano ● 13 CalEnviroScreen census tracts ● 31 AB 1550 census tracts ● 18 CEJST census tracts ● 20 Department of Water Resources (DWR) Disadvantaged Communities census tracts ● 9 Federally Designated IRS Opportunity Zones census tracts	Fairfield	CalEnviroScreen, AB 1550 (10), CEJST (8), DWR Disadvantaged Communities (8), IRS Opportunity Zones (3)
	East Solano County	CalEnviroScreen
	Vallejo	CalEnviroScreen, AB 1550 (18), CEJST (10), DWR Disadvantaged Communities (10), IRS Opportunity Zones (6)
	Vacaville	AB 1550 (3), DWR Disadvantaged Communities (2)
Marin ● 29 AB 1550 census tracts ● 3 CEJST census tracts ● 4 Department of Water Resources (DWR) Disadvantaged Communities census tracts ● 1 Federally Designated IRS Opportunity Zones census tracts	West Marin	AB 1550 (5)
	Fairfax	AB 1550 (1)
	San Anselmo	AB 1550 (1)
	Greenbrae	AB 1550 (1)
	San Rafael	AB 1550 (10), CEJST (2), DWR Disadvantaged Communities (3), IRS Opportunity Zones (1)
	Novato	AB 1550 (7)
	Marin City	CEJST (1), DWR Disadvantaged Communities (1)
	Mill Valley	AB 1550 (4)
Napa ● 14 AB 1550 census tracts ● 4 CEJST census tracts ● 3 Department of Water Resources (DWR) Disadvantaged Communities census tracts ● 2 Federally Designated IRS Opportunity Zones census tracts	Calistoga	AB 1550 (1)
	Yountville	AB 1550 (1)
	Napa	AB 1550 (11), CEJST (4), DWR Disadvantaged Communities (3), IRS Opportunity Zones (2)
	Lake Berryessa/Knoxville	AB 1550 (1)

Appendix B

Indigenous Communities on Unceded Territories and Indigenous Serving Organizations

MCE staff works to educate itself on indigenous communities on unceded territories and indigenous serving organizations in MCE Service Area: MCE's service area sits in the territory of the Miwok (Coast Miwok and Bay Miwok), Ohlone (including Lisjan, Karkin, Muwekma) and Wintun People (South Patwin).

Marin:

- Coast Miwok Tribal Council of Marin, Marin: council focused on cultivating the Miwok unique identity and heritage, rights protection, the sustainability and development of Miwok traditional culture, economic development, education, and workforce training
- Marin Coast Miwoks, Marin: small, local organization that is fundraising to build Miwok statues in Marin and cemetery repairs for their ancestors
- Marin American Indian Alliance is an inter-tribal cultural and educational organization based out of San Rafael

Napa:

- Suscol Intertribal Council, Napa County: develops a sustainable open space that will serve as a prototype to preserve and protect Native American culture and traditions. Council promotes communication between indigenous peoples and the general public and preserve human rights for indigenous people with other NGOs globally

Contra Costa:

- Federated Indians Graton Rancheria, San Pablo: governs and supports the Coast Miwok and Southern Pomo people in the Graton Rancheria reservation area
- California Indian Environmental Alliance, El Cerrito: Promotes tribal sovereignty and self advocacy, youth leadership, tribal health
- Confederated Villages of Lisjan: provide cultural consultations
- Lytton Band of Pomo Indians owns and operates the Lytton Casino in San Pablo and has recently re-acquired land in Sonoma County for housing
- American Indian Cultural and Education Program is run out of Martinez and is focused on education of Native students and their families in Contra Costa County

Solano:

- Tribal TANF Solano – resources for Indian children, office located in Fairfield
- Yocha Dehe Wintun Nation – mostly in Yolo County and Colusa County (Capay Valley), but ancestral lands include present-day Solano County and have programs here. Have also partnered with Solano County Resources Conservation District.

More Resources:

- California Tribal Groups Map
- Indigenous Voices and Reading Circle: Chapter Events – Climate Reality Bay Area

- U.S. Native History & Building Relationships with Native Communities for Effective Climate Work Video
- Native Land Resource on Territory Acknowledgement

Empowering Our Clean Energy Future
CONTRA COSTA | MARIN | NAPA | SOLANO

January 15, 2026

TO:	MCE Board of Directors
FROM:	Alice Havenar-Daughton, VP of Customer Programs
RE:	Customer Programs Update (Agenda Item #11)

Dear MCE Board Members:

Summary:
The following tables provide key metrics on current MCE Customer Programs. CPUC-funded energy efficiency programs operate on a calendar year basis, whereas MCE-funded programs operate on a fiscal year basis. Accordingly, program results are presented in alignment with each funding cycle. Detailed information on each program is provided below the tables.

1. ENERGY EFFICIENCY

Home Energy Savings

2025 (Q1-Q3):

- 293 low- or moderate-income homes upgraded
- 64 no-cost heat pumps installed
- Program expenditures Q1-Q3 2025: $2,636,968
- Value of no-cost projects delivered to customers: $1,396,804
- Lifecycle Gross GHG Emissions Reductions: 3,308 MT/CO2e

Results from prior years (2019-2024):

- 1,700 single family homes upgraded
- Saved participants over 500,000 kWh and over 7,000 therms
- Program expenditures 2019-2024: $9,800,000
- Customers save an average of $143 per year on energy bills

Results from Richmond Rising Grant (2023-present):

- 36 homes received solar installs
- 41 homes received energy efficiency upgrades
- 30 homes received electrification upgrades

Funding	CPUC ($2,8000,000 annually), California Strategic Growth Council grant ($3,000,000), Chevron grant ($35,000)

Multifamily Energy Savings	
2025 (Q1-Q3): • 147 units at 5 properties upgraded • Lifecycle Gross GHG Emissions Reductions: 109 MT/CO2e **Results from prior years (2013-2024):** • 4,700+ multifamily units upgraded • Saved participants more than 1.4 million kWh and 108,000 therms (approximately $666,240 in annual energy bill savings) • Distributed nearly $1.2 million in incentive payments to customers	
Funding	CPUC ($1,706,03 annually)

Flex Market Commercial Efficiency	
2025 (Q1-Q3): • 49 projects approved for installation • Forecasted to save 1,618,000 kWh annually (approximately $485,400 in annual energy bill savings) • Lifecycle Gross GHG Emissions Reductions: 475 MT/CO2e **Results from prior years (2021-2024):** • Installed 103 projects that are forecasted to save over 8,650,000 kWh annually (approximately $2,595,000 in annual energy bill savings)	
Funding	CPUC ($6,733,937 annually)

Flex Market Residential Efficiency	
2025 (Q1-Q3): • Launched in mid-2025, focusing on heat pump water heaters • 54 projects approved for installation • GHG Emissions Reductions will be reported once installations have been completed	
Funding	CPUC ($809,783 annually)

Small Business Energy Advantage
2025 (Q1-Q3): • 136 businesses upgraded

- Over $397,000 in incentives
- GHG Emissions Reduction methodology is still being developed for this program and will be reported in future reports

Results from prior years (2024):

- Provided 40 small businesses with over $135,000 in incentives to install efficient equipment

Funding	CPUC ($973,276 annually)

Strategic Energy Management

- **2025 (Q1-Q3):** 7 participating multifamily properties forecasted to save 166,448 kWh and 5,000 therms annually (approximately $55,000 in annual energy bill savings)
- 21 participating non-residential customers forecasted to save 1,166,000 kWh and 96,000 therms annually (approximately $568,680 in annual energy bill savings)
- Lifecycle Gross GHG Emissions Reductions: 827 MT/CO2e

Results from prior years (2020-2024):

- Distributed over $240,000 in incentives to 12 participants
- Saved over 3.7 million kWh of electricity and over 315,000 therms annually (approximately $1,828,200 in annual energy bill savings)

Funding	CPUC ($1,775,805 annually)

Green Workforce Pathways

2025 (Q1-Q3):

- Placed 12 jobseekers with local electrification contractors in MCE's service area
- 16 contractors provided with stipends to attend manufacturer training
- Launched the Contractor Finder Tool on MCE's website
- Hosted the E-Contractor Academy at MCE's Concord Offices and at the UA Local 342 JATC in Concord
    - 16 participants representing 13 small, minority, women-owned construction businesses, ranging across different trades from general, electrical, plumbing to HVAC, solar and seismic engineering
- GHG emissions reductions are not tracked for this program because it is a workforce program and does not directly influence the installation of equipment

Marin Community Foundation Grant:

- Launched the LIME Foundation's Next Gen Trades Academy in San Rafael
- ABC7 aired a broadcast segment in January 2026

Results from prior years (2021-2024):

- Placed 48 job seekers with local electrification contractors in MCE's service area
- Supported 139 job seekers in career readiness workshops

Funding	CPUC ($1,055,940 annually), Marin Community Foundation Grant ($380,000)

2. TRANSPORTATION ELECTRIFICATION

MCE Sync

- 3,022 vehicles with Smart Charging enabled

Current Fiscal Year (April 1- Dec. 16, 2025):

- Off peak charging: 4,797,114 kWh
- Shifted out of peak: 728,434 kWh
- Annual GHG Emissions Reductions: 78 MT/CO2e
- Customer savings (avg): $61/EV
- Customer incentives (avg): $67.42
- Customer incentives (total): $296,656

Chargewise Pilot:

- 522 vehicles on a Dynamic Rate with Smart Charging enabled
- 98% of charging shifted out of peak periods
- 30% of charging occurred during the day (9am-3pm)
- Participants earned an average of $19/month in dynamic rate credits in addition to the average monthly savings of $11/month on their electricity bill
- Participating customers have earned approximately $120,000 in dynamic rate credits

Funding	MCE Resiliency Fund FY 2025/26 ($926,692)

EV Rebates

Current Fiscal Year:

Instant Rebates:

- 1,031 rebates issued for EV purchase or lease using $2,718,500 in MCE rebates
  - 443 new vehicles ($1,550,500 in MCE rebates)
  - 588 used vehicles ($1,168,000 in MCE rebates)
- Lifecycle Gross GHG Emissions Reductions: 3,155 MT/CO2e

Results from prior years (2022-2024):

EV Instant Rebates:

- 1,367 rebates for EV purchase or lease using $4,170,000 in MCE rebates
  - 1,007 new vehicles ($3,498,000 in MCE rebates)
  - 360 used vehicles ($672,000 in MCE rebates)

EV Rebate Program (2019-2022):

- 347 rebates issued for EV purchase or lease using $1,211,000 in MCE rebates

Funding	MCE Local Programs Fund FY25/26 ($4,566,480)

EV Charging Program

Current Fiscal Year:

- 152 new charging ports installed, 749 under reservation
- $621,000 in MCE incentives provided
- GHG Emissions Reductions are not tracked for this program because of the administrative burden of tracking charging station usage data

Results from prior years (2018-2024):

- 1,232 new charging ports installed using $2,390,000 in MCE incentives

Charge up Contra Costa (2022-present):

- 92 ports installed in low-income communities in Contra Costa using $545,000 in grant funding
- 128 additional ports under construction

Funding	MCE Local Programs Fund FY 2025/26 ($1,710,745), CEC Grant – Charge Up Contra Costa ($1,200,000), Marin Community Foundation Grant ($180,000)

Charged by Public Power

- Launched in 2024
- Collected over 600 survey responses
- Reached 131 focus group participants
- Starting project host site identification
- GHG Emissions Reductions are not tracked for this program because of the administrative burden of tracking charging station usage data

Funding	DOE Grant ($1,000,000)

3. BUILDING ELECTRIFICATION

Heat Pump Water Heater Incentives	
Current Fiscal Year: • 216 heat pumps installed • $463,570 in MCE incentives • Lifecycle Gross GHG Emissions Reductions: 192 MT/CO2e **Results from prior Years (2022-2024):** • 600 heat pumps installed using $854,000 in MCE incentives	
Funding	MCE Local Programs Fund FY 2025/26 ($800,000)

Emergency Water Heater Loaner Program	
• Launched in 2024 • 10 heat pump water heaters installed using emergency loaners since the program • Lifecycle Gross GHG Emissions Reductions: 9 MT/CO2e	
Funding	MCE Local Programs Fund FY 2025/26 ($142,000)

4. ENERGY STORAGE PROGRAM

Energy Storage for Residents and Critical Facilities	
• Program closed to new applicants **Results from prior Years (2020-2024):** • 1.25 MWh of non-residential storage installed at 13 sites • 1.24 MWh of residential storage installed at 76 homes • Annual Gross GHG Emissions Reductions: 482 MT/CO2e	
Funding	MCE Resiliency Fund FY 2025/26 ($306,000), Marin Community Foundation Grant ($750,000), Self Generation Incentive Program Funding (>$1,000,000)

Department of Energy Storage Grant	
Current program status: • 12 applications received • 2 sites selected for federal funding	
Funding	DOE Grant ($500,000), MCE Match Funding ($500,000)

Solar Storage Credit Program	
• 1,469 active customers	
Funding	MCE Operational Funds FY 2025/26 ($250,000)

Program Participation by Community

The following tables summarize community participation by county across MCE's customer programs.

Contra Costa County									
Community	Home Energy Savings	Multi-Family Energy Savings	Flex Market Commercial Efficiency	Small Business Energy Advantage	Strategic Energy Management	MCE Sync	EV Rebate	EV Charging	Energy Storage
Concord	✓	✓	✓	✓		✓	✓	✓	
Danville	✓	✓	✓			✓	✓	✓	✓
El Cerrito	✓		✓	✓		✓	✓	✓	✓
Hercules						✓	✓		
Lafayette	✓					✓	✓		✓
Martinez	✓	✓	✓	✓	✓	✓	✓	✓	✓
Moraga	✓		✓			✓	✓	✓	✓
Oakley	✓	✓		✓		✓	✓	✓	
Pinole	✓		✓	✓		✓	✓		✓
Pittsburg	✓	✓		✓	✓	✓	✓	✓	✓
Pleasant Hill	✓			✓		✓	✓		
Richmond	✓	✓			✓	✓	✓	✓	✓
San Pablo	✓	✓	✓	✓		✓	✓	✓	✓
San Ramon	✓	✓		✓		✓	✓	✓	✓
Walnut Creek	✓	✓	✓		✓	✓	✓	✓	✓
Uninc. Contra Costa County	✓			✓		✓	✓		

Marin County									
Community	Home Energy Savings	Multi-Family Energy Savings	Flex Market Commercial Efficiency	Small Business Energy Advantage	Strategic Energy Management	MCE Sync	EV Rebate	EV Charging	Energy Storage
Belvedere		✓				✓	✓	✓	
Corte Madera	✓	✓				✓	✓	✓	
Fairfax		✓		✓		✓	✓	✓	✓
Larkspur	✓	✓				✓	✓	✓	
Mill Valley	✓	✓	✓			✓	✓	✓	✓
Novato	✓	✓	✓	✓		✓	✓	✓	✓
Ross						✓		✓	
San Anselmo	✓					✓	✓	✓	✓
San Rafael	✓	✓		✓	✓	✓	✓	✓	✓
Sausalito	✓					✓	✓	✓	✓
Tiburon		✓				✓	✓	✓	
Uninc. Marin County	✓	✓				✓	✓	✓	✓

Napa County									
Community	Home Energy Savings	Multi-Family Energy Savings	Flex Market Commercial Efficiency	Small Business Energy Advantage	Strategic Energy Management	MCE Sync	EV Rebate	EV Charging	Energy Storage
American Canyon	✓					✓	✓	✓	✓
Calistoga	✓					✓		✓	
City of Napa	✓	✓	✓	✓	✓	✓	✓	✓	✓
St. Helena	✓					✓	✓	✓	
Yountville						✓	✓	✓	
Uninc. Napa County	✓					✓	✓	✓	✓

Solano County									
Community	Home Energy Savings	Multi-Family Energy Savings	Flex Market Commercial Efficiency	Small Business Energy Advantage	Strategic Energy Management	MCE Sync	EV Rebate	EV Charging	Energy Storage
Benicia	✓	✓				✓		✓	✓
Fairfield	✓	✓	✓	✓	✓	✓			
Vallejo	✓	✓	✓	✓		✓		✓	
Uninc. Solano County	✓					✓			✓

<u>Detailed Program Information</u>

1. **Home Energy Savings**

Description: MCE's Home Energy Savings program aims to improve the comfort, efficiency and indoor air quality of low- and moderate-income households living in single family homes. The program offers free energy assessments and education with single point-of-contact customer service and free energy-efficient and electrification measures.

The program serves homeowners and renters whose household income is 200%-400% of the Federal Poverty Guidelines. This typically exceeds the income limit for services provided by programs like PG&E's Energy Savings Assistance program. However, income constraints often prevent this group from participating in market-rate programs.

Richmond Rising is an initiative funded by a $35M grant awarded to the City of Richmond by the Strategic Growth Council. MCE was a sub awardee for this grant to expand Home Energy Savings and the installation of rooftop solar in Richmond.

2. **Multifamily Energy Savings Program**

Description: MCE's Multifamily Energy Savings program helps transform multifamily homes into healthier, more energy efficient, all-electric spaces. The program is designed to make electrification and energy upgrades easier by breaking down common barriers like high upfront costs, complex decision-making, and the technical expertise needed to get started. The program offers free energy assessments for common areas and units, support with contractor selection and project planning and rebates for in-unit and common area measure upgrades such as ENERGY STAR® appliances, efficient lighting, insulation, windows, and water fixtures, electrification upgrades including heat pumps, induction stoves, electric dryers, and panel upgrades.

3. **Efficiency Flex Market**

Description: MCE's Commercial Flex Market programs provide energy efficiency incentives directly to project developers or contractors known as aggregators. The incentives are based on metered energy savings, instead of traditional energy efficiency programs that utilize deemed or custom models. These programs do not limit the technology or energy saving strategies implemented, resulting in the opportunity to maximize energy efficiency and load-shifting projects. Because the incentive is paid directly to the aggregator, the value is passed along to the customer in the way that best drives the success of the project, either by reducing upfront costs or getting paid based on energy savings performance.

MCE's Residential Flex Market was relaunched in 2025 after contractors shared that the previous incentive process made it hard to manage cash flow between project completion and the later measurement period used to calculate payments. The updated program now provides an upfront rebate at installation based on estimated savings, plus a performance bonus a year later based on the project's actual energy savings.

4. **Small Business Energy Advantage**

Description: MCE's Small Business Energy Advantage program helps small businesses in underserved communities become more resilient by providing equitable access to bill-reducing energy efficient upgrades that improve health, comfort, and safety. Unlike traditional programs, MCE's Small Business Energy Advantage program focuses on businesses that have historically been overlooked, ensuring real-world impacts and lasting community benefits.

The program offers free energy assessments and tailored education for all enrolled businesses, no-cost and low-cost energy efficiency upgrades, ongoing support, including project planning, installation, and post-installation follow-up to ensure satisfaction and connect businesses to additional resources.

5. **Strategic Energy Management**

Description: The Strategic Energy Management program offers a long-term approach to help multifamily properties and businesses save money, earn financial incentives, and better manage their energy usage. Participants can access free onsite assessments, cohort-style training, individual

coaching, and peer-to-peer learning to build a stronger energy culture within their organization. The program offers customized opportunities to change how existing equipment is used (rather than installing new equipment) so the customer can see significant bill savings with little to no-upfront cost.

6. **Green Workforce Pathways**

Description: MCE's Green Workforce Pathways program supports both residential service contractors and job seekers. For contractors, the program provides no-cost training on cutting-edge clean technologies and connections to vetted job seekers to help grow their business. For job seekers, the program offers individualized career support services and opportunities for paid positions with local energy contractors.

7. **MCE Sync**

Description: MCE Sync is a load-shifting app that helps EV drivers automate their EV charging at home to use the least expensive and cleanest energy on the grid. On average, 80% of EV charging happens at home, with every EV adding around 50% to a resident's overall electricity usage. As the EV market continues to grow, the importance of smart EV charging will be even more significant. Shifting electricity load toward lower-cost energy hours when more renewables are available bolsters grid resiliency from outages during critical periods.

In late 2024, MCE partnered with EV.Energy to launch ChargeWise, a CEC grant funded pilot. The ChargeWise Pilot deploys dynamic rates that align charging to wholesale electricity prices. Customers who opt into this pilot can take advantage of very low daytime pricing to earn EV charging credits. The customers are provided a credit for the difference between their based electricity rate and the dynamic rate offered by the pilot.

8. **EV Charging**

Description: MCE's EV Charging program provides multifamily properties and businesses with EV charging rebates, along with free technical assistance. The program offers:

- Up to $4,500 per networked Level 2 charging port plus $500 per L2 charging port for projects located in state-designated priority population areas and up to $875 per networked Level 1 charging port
- Stackable rebates with other regional EV charging programs
- Technical assistance including a customized EV Charging Planning Report, which includes a site assessment, load study, available incentives, recommended vendors, and user pricing

9. **Charged by Public Power**

Description: MCE's Charged by Public Power program supports the planning and deployment of EV chargers and clean mobility options – such as bikeshare and carshare – in nine historically underserved communities across MCE's service area. Priority communities include Concord,

Fairfield, Napa, Pittsburg, Richmond, San Pablo, San Rafael, Unincorporated Contra Costa County, and Vallejo.

To ensure community-driven decision-making, the program established the Community Electric Transportation Council (CETC), which includes representatives from local governments, transit agencies, and community-based organizations. The CETC plays a key role in shaping inclusive engagement strategies, assessing transportation needs through surveys and focus groups, and informing the design and placement of EV chargers based on direct community input.

10. **Heat Pump Water Heater Incentives**

Description: To help increase adoption, MCE offers rebates to contractors for each energy-efficient heat pump water heater unit they install in the home of an MCE market-rate customer and slightly higher incentives for equipment installed in low- and moderate-income homes or multifamily properties. This can be combined with other energy efficiency rebates to further reduce costs.

11. **Emergency Water Heater Loaner Program**

Description: Approximately 90% of water heater replacements are emergency replacements. The urgency of restoring hot water to a home compresses a customer's timeframe in deciding whether to switch to a heat pump water heater or continue burning fossil fuels. Customers are often unwilling to go without hot water during the time it takes to complete the retrofit requirements. The ability to provide an emergency replacement heat pump water heater solution that doesn't inconvenience the customer is essential to moving California toward its carbon-neutral goals.

MCE's Emergency Water Heater Incentive provides contractors $1,500 to help cover the cost of installing and maintaining a temporary loaner water heater (gas or electric) as part of the customer's permanent heat pump water heater installation.

12. **Energy Storage for Residents and Critical Facilities**

Description: MCE's Energy Storage Program provided rebates, monthly bill credits and for battery energy storage systems paired with solar, in exchange for allowing MCE to discharge the battery daily from 4-9pm to manage peak loads and mitigate high energy costs. The program is currently closed to new customers, but staff are continuing to support some customers through the installation process which includes PG&E project approval (Permission to Operate) and to provide performance payments to non-residential batteries for 7 years post installation.

13. **Department Of Energy (DOE) Energy Storage Grant**

Description: In 2025, MCE offered a grant to our municipal customers to support the installation of storage on municipal sites funded by a DOE Energy Storage Grant that was awarded to MCE. The batteries will be used to provide resiliency and to offset peak demand.

14. **Solar Storage Credit Program**

Description: MCE offers customers with solar and storage at their home a monthly bill credit ($10-$20) in exchange for automating their battery to discharge down to a 20% reserve margin daily from 4-9 p.m., except to prepare for or during a power outage.

Recommendation:

Discussion only.

Strategic Plan for Energy Services

MCE Budget Workshop #1

January 28, 2026

Overview

Service area and how membership and community characteristics inform service delivery and program design.

Energy equity, including language access, supplier diversity, partner engagement, and priority populations.

Electric supply options and procurement strategy, including state policy drivers (e.g., renewable/carbon-free targets, resource adequacy changes, and hourly emissions reporting reforms).

Customer Programs.

Risk Mitigation strategies.

2026 Agency Priorities

1. Reduce greenhouse gas emissions
2. Foster equity
3. Strengthen energy affordability
4. Amplify our impact by using our funds wisely
5. Inspire others to take action
6. Achieve operational excellence and foster an engaging employee experience
7. Strengthen governance practices and support shared understanding

Risks and Mitigation Summary

Risks	Mitigation Efforts
Erosion of CCA autonomy	Regulatory and legislative advocacy, demonstrate local decision-making value, and partner with industry groups.
Regulatory complexity & expanding scope	Engage in regulatory proceedings, build internal compliance capacity, and invest in technology to streamline regulatory reporting.
Supply & demand imbalance	Virtual Power Plant strategies, large scale solar + storage, energy efficiency.
Financial constraints	Financial reserves, diverse funding sources, cost-saving strategies, investment-grade credit ratings, and fair rates.

Risks and Mitigation Summary Cont.

Risks	Mitigation Efforts
Governance, trust & public confidence	Board education, transparent public dialogue, and accurate, simple messaging.
Market dynamics	Diverse procurement, long-term contracts, possible asset ownership, market monitoring.
Technology risks	Pilot new technologies, partner with industry experts, prioritize proven solutions.
Climate & grid resiliency	Distributed energy resources, local resilience, and customer-sited storage.

Energy Service Options

As of December 2025, MCE's participation rate—all electric customers within our service area—is at an all-time high of 87.2%, representing more than 601,000 accounts.

Service Option	Description	Customers Enrolled (Approximate)
Light Green	Default service (60% renewable)	586,000
Deep Green	100% renewable (+$0.0125/kWh, CARE/FERA no premium)	38,700
Local Sol	100% local solar (Novato Cooley Quarry, fully subscribed)	335
Green Access	100% renewable, 20% discount for Disadvantaged Community + CARE/FERA	5,800
NEW Pilot: 24/7 Green	Hourly matched, municipal pilot (Board-approved 2025)	To be determined

Customer Programs:

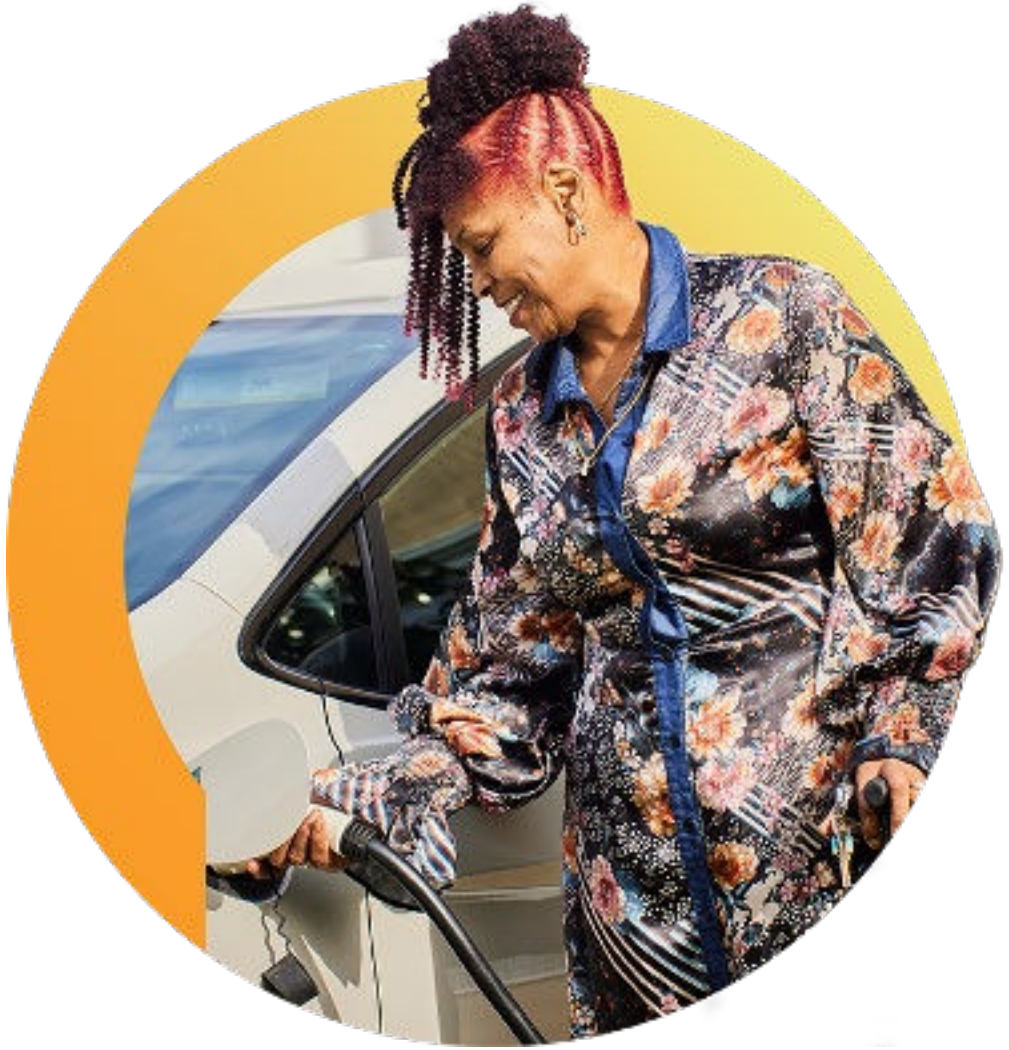
Funding, Strategy, and Impact

MCE customer and EV rebate recipient

Funding Overview

- MCE Ratepayer Funds
- California Public Utilities Commission (CPUC): **$79 million** awarded for 2024-2027
- Grants and Federal Funding: **$14.5 million** secured since 2019

Deep Green Community Reinvestment



Richmond resident and EV rebate recipient

The program development fund is supported by the **Deep Green Premium**.

Half of 1.25¢/kWh is allocated to this fund.

$9 million worth of investments to date directly from this program for EVs, community housing grants, and heat pump water and space heating.

Customer Program Pillars

1. **Virtual Power Plant Strategies**
2. **Building Electrification**
3. **Electric Vehicles**
4. **Energy Efficiency**

MCE's customer programs are organized around four core strategies to reduce GHG emissions, foster equity, promote grid reliability, and deepen customer engagement and relationships.

Home Energy Savings participants and MCE staff

Virtual Power Plant (VPP)

Energy Storage

Progress to date: 1.3 MWh of new storage in development across 7 commercial sites
DOE Grant Goal: 900 kWh in new storage at municipal sites
Funding Sources:

- MCE Resiliency Fund
- Marin Community Foundation grant
- DOE Federal Earmark Funding

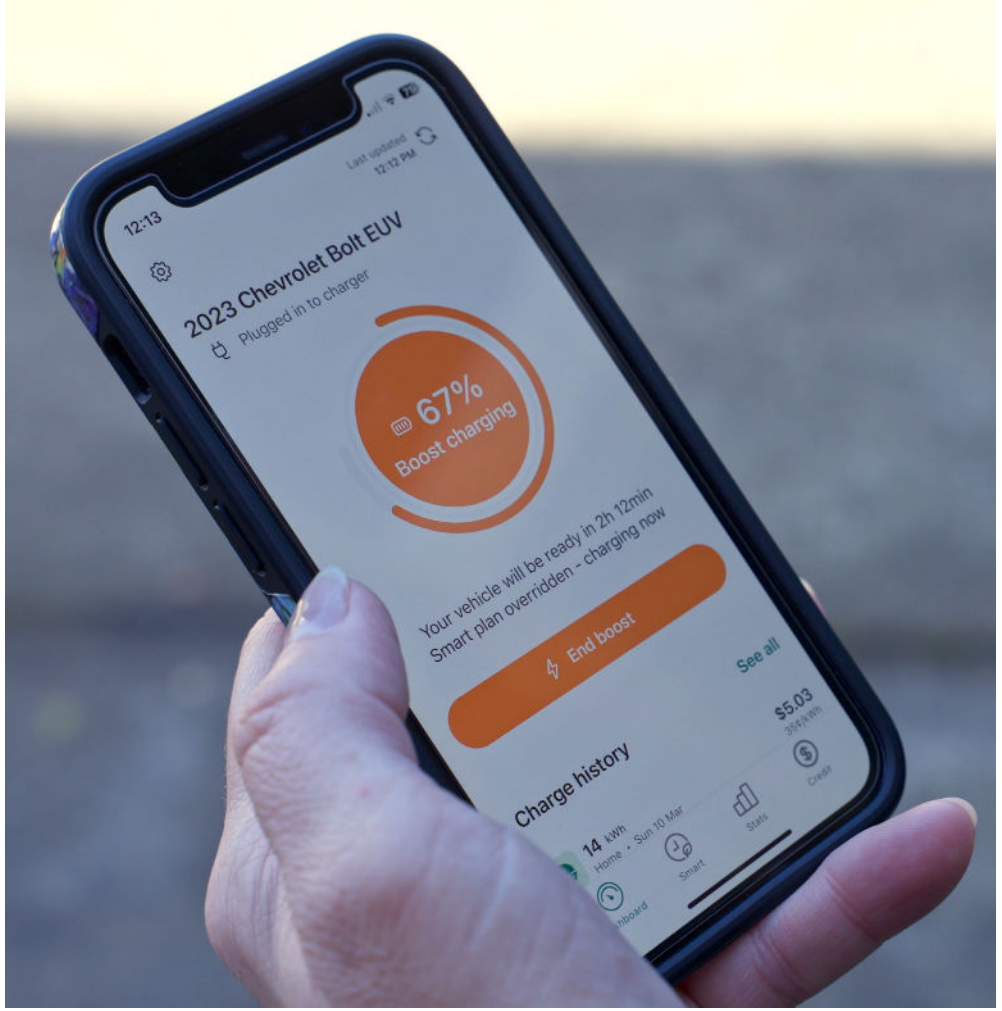
Sub-Program	Cumulative MCE Expenditures	FY 2025/26 Budget	Proposed FY 2026/27 Budget	% Change
Energy Storage Program	$4,384,000 (Apr. 2020-Dec. 2025)	$506,000	$236,800	53% decrease as we get closer to all projects closing out
DOE Grant Match Funds	$0	$200,000	$100,000	Total match obligation over the duration of the grant is $500,000

Battery installation at Pittsburg High School

MCE Sync

- **Goals by March 2027:**
  - Increase participation to 7,200 EVs (4,500 as of Dec. 2025)
  - 1,000 customers on a dynamic rate
- **Funding Sources:** MCE Local Programs Fund and California Energy Commission grant

Cumulative MCE Expenditures	FY 2025/26 Budget	Proposed FY 2026/27 Budget	% Change
$2,081,000 (Jul. 2021-Dec. 2025)	$926,692	$926,692	No change



MCE Sync app

Peak Flex

Plan Highlights: Transitioning from an event-based model to a daily dispatch model for 2026-2028

Funding Sources:

- CPUC EE Funds

Cumulative MCE Expenditures	FY 2025/26 Budget	Proposed FY 2026/27 Budget	% Change
$62,000 (Apr. 2024-Dec. 2025)	$100,000	$0	Shift program to CPUC EE Funds

Peak Flex participant, City of Fairfield water treatment plant

VPP Flex

Plan Highlights:
Goals by 2029:

- Up to 30 resource types integrated in the Distributed Energy Resource Management System (DERMS)
- 3 MW load shift
- 20% cost recovery

Funding Sources:

- MCE Resiliency Fund
- California Energy Commission grant

Cumulative MCE Expenditures	FY 2025/26 Budget	Proposed FY 2026/27 Budget	% Change
$209,000 (Apr. 2024-Dec. 2025)	$1,000,000	$1,000,000	No change

VPP home unveiling, Richmond

Building Electrification

Green Workforce Pathways

Plan Highlights:
Goals for 2026:

- Enroll up to 13 contractors to support the paid work experience participants
- 15 electrification training stipends
- 3 in-person electrification trainings for job seekers
- 14 job seekers placed in paid work experience
- 80 job seekers provided with supporting job placement services
- 2 training improvement projects that align with GWP goals

Funding Sources:

- CPUC Energy Efficiency Funds
- Marin Community Foundation grant

Green Workforce Pathways participant

Electrification Incentives

Plan Highlights:
Goal by April 2027:

- Provide incentives for 685 electrification and electrification readiness measures, such as heat pump water heaters, induction stoves, or electric repairs

Funding Sources:

- MCE's Local Programs Fund

Sub-Program	Cumulative MCE Expenditures	FY 2025/26 Budget	Proposed FY 2026/27 Budget	% Change
Electrification Incentives	$1,164,000 (Apr. 2021-Dec. 2025)	$800,000	$942,000	18% increase allowing the total number of measures to increase from 512 to 685.
Emergency Water Heater Loaner Program	$13,000 (June 2024-Dec. 2025)	$142,000	$0	Proposed closure of the Emergency Water Heater Loaner Program in FY 26/27 due to low participation and to direct funds towards other electrification programs with higher customer demand.

Home Energy Savings

- **Plan Highlights:**
- Goal for 2026:
- 100 no-cost electrification upgrades as part of 325 homes receiving energy efficiency upgrades

- **Funding Sources:**
- CPUC Energy Efficiency Funds
- Strategic Growth Council grant
- Chevron Grant

Home Energy Savings participant

Multifamily Energy Savings

- **Plan Highlights:**
- Goal for 2026:
- Up to 200 units with electrification upgrades as part of 50-200 units receiving energy efficiency upgrades

- **Funding Sources:**
- CPUC Energy Efficiency Funds

Marina Bay Northshore Housing, Richmond

Transportation Electrification

EV Charging

Plan Highlights:
Goal by April 2027:
- 400 new charging ports installed

Funding Sources:
- MCE Local Programs Fund
- California Energy Commission grant
- Marin Community Foundation grant
- U.S. Department of Energy grant

Cumulative MCE Expenditures	FY 2025/26 Budget	Proposed FY 2026/27 Budget	% Change
$7,884,000 (Mar. 2019-Dec. 2025)	$1,710,745	$2,289,137	34% increase

MCE EV Charging Rebate Recipient, The Meadows of Napa Valley

Electric Vehicle Charging Program

	FY25/26		FY26/27	
	#	Per unit incentive	#	Per unit incentive
L2	343	Old: $3,000 (+$500 DG) New: $4,000 (+$500 DG, +$500 DAC)	312	$4,000 (+$500 DG, +$500 DAC)
L1 Outlet	16	$750 (+$150 DG)	46	$2,000 (+$500 DG)
Technical Assistance reports	72	$3,435 Standard $5,366 Complex $6,976 Complex with Data Logging	75	$3,641 Standard $5,688 Complex $7,396 Complex with Data Logging
Implementation (includes TA report cost)	$622,245		$672,997	
	- Overall program management - project verification and rebate processing -rebate reservation		Higher budget adds: -project completion support for some projects -more customer education	

EV Instant Rebate

Plan Highlights:
Goal by April 2027:
- 876 new rebates

Funding Sources:
- MCE Local Programs Fund

Cumulative MCE Expenditures	FY 2025/26 Budget	Proposed FY 2026/27 Budget	% Change
$9,264,000 (Mar. 2023-Dec. 2025)	$4,566,480	$3,594,500	21% decrease reflecting the cooling market for EV purchases, lower vehicle total cost limits. Total number of projected rebates dropping from 1,200 in FY 25/26 to 876 in FY 26/27

EV instant rebate recipient

Energy Efficiency 2026 Goals

- Energy Management for Large Commercial and Industrial Customers
  - 2,432,717 kWh and 416,639 Therms
- Efficiency Flex Market
  - Commercial: 18,803,422 kWh; 30,845 Therms
  - Residential: 200,387 kWh; 29,983 Therms
- Small Business Energy Advantage
  - 325 projects in Disadvantaged Communities or Low-Income Neighborhoods

Budget Impact and Options

	Option	Budget Impact	Program Impact
1	Close or scale back EV Instant Rebate Program	Savings of up to $3,594,500	Up to 876 income-qualified customers do not receive a rebate for the purchase of an EV.
2	Close the EV Charging Program to new applicants	Savings of around $800,000	Projects with existing reservations will still need to close out. Larger budget implications in the coming FYs if we stop taking in new project reservations.
3	Eliminate Electrification Incentives	Savings of $942,000	685 electrification measures not installed in customer homes. Will also impact MCE's ability to spend down CPUC EE funds.

Total Potential Savings (all options): Up to $5,336,500

Program Impacts and Expenditures

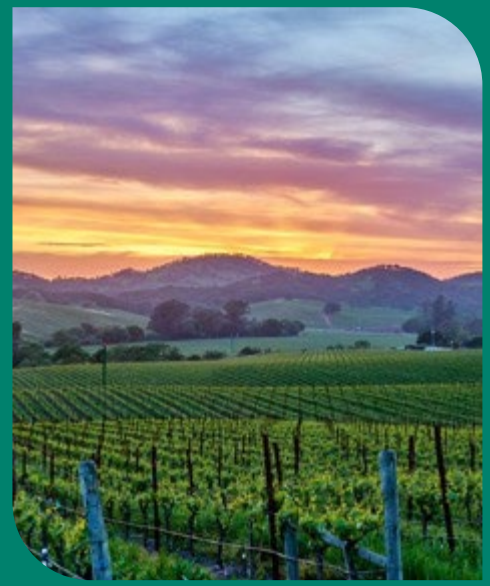
	Program	FY 2026/27 Proposed Budget	MCE Cumulative Expenditures	Program Impacts (inception to date)
1	EV Instant Rebate Program	$3,594,500	$9,264,000 (Mar. 2023-Dec. 2025)	• 2,381 low-income customers purchased or leased an EV with an MCE rebate • GHG emissions reductions: 7,286 MT CO2e
2	EV Charging Program	$2,289,137	$7,884,000 (Mar. 2019-Dec. 2025)	• 1,400 new charging ports at 142 locations • GHG emissions reductions not tracked
3	Electrification Incentives	$942,000	$1,177,000 (Apr. 2021-Dec. 2025)	• 700 electrification and electrification readiness measures (heat pump HVAC, water heater, heat pump dryers, induction cooktops) installations completed • GHG emissions reductions: 623 MT CO2e

Discussion

mceCleanEnergy.org
info@mceCleanEnergy.org

Integrated Resource Planning

MCE Budget Workshop #1



January 28, 2026

What is the IRP?

- IRP = Integrated Resource Plan
- Key Goal: Identify a diverse portfolio of resources to meet grid reliability needs & support CA's Greenhouse Gas (GHG) emissions reductions goals.
- The IRP is overseen by the California Public Utilities Commission (CPUC) and is the process by which the CPUC sets resource planning targets for Load Serving Entities (LSEs) within its jurisdiction.

How Does the IRP Work?

The IRP has two tracks which impact MCE procurement, budget, and ratepayers:

1. **Planning**
   - Builds Preferred System Plan (PSP) based on forecasts, policy goals, and statewide emissions targets.
   - Load Serving Entities (LSEs) prepare individual plans that are aggregated and evaluated against PSP.

2. **Procurement**
   - CPUC evaluates and determines if there is a need for additional procurement to fill identified shortfalls.
   - This can (and has) lead to mandatory procurement orders.

IRP Process Explained

1. **Load Forecasting:**
   - CPUC utilizes demand and reliability forecasts from California Energy Commission and CAISO to create long-term (10-20 years) forecast
2. **Portfolio Modeling and System Needs**
   - CPUC models multiple resource portfolios based on requirements (reliability, emissions targets, cost) to identify system needs (capacity, resource types, transmission, etc.)
3. **Preferred System Plan**
   - Utilizes modeling to create long-term procurement blueprint (resource mix, timing, etc.) that meets reliability and emissions targets
4. **LSEs Develop Individual Conforming Portfolios**
   - LSEs allocated share of system plan and required to develop conforming portfolio demonstrating ability to meet state targets

How Does MCE Participate in the IRP

- MCE regularly engages in advocacy in CPUC-related proceedings to advocate for reasonable forecast and planning assumptions as well as fair procurement obligations

- Submit IRP plans to the CPUC every two years:
  - After development of the PSP, the CPUC allocates portion of the PSP to individual LSEs like MCE
  - MCE is required to create and submit a "conforming portfolio" for submission to the CPUC
  - Conforming Portfolio outlines MCE's model demonstrating that it can meet share of statewide reliability need and GHG targets.

MCE's 2022 IRP (example)

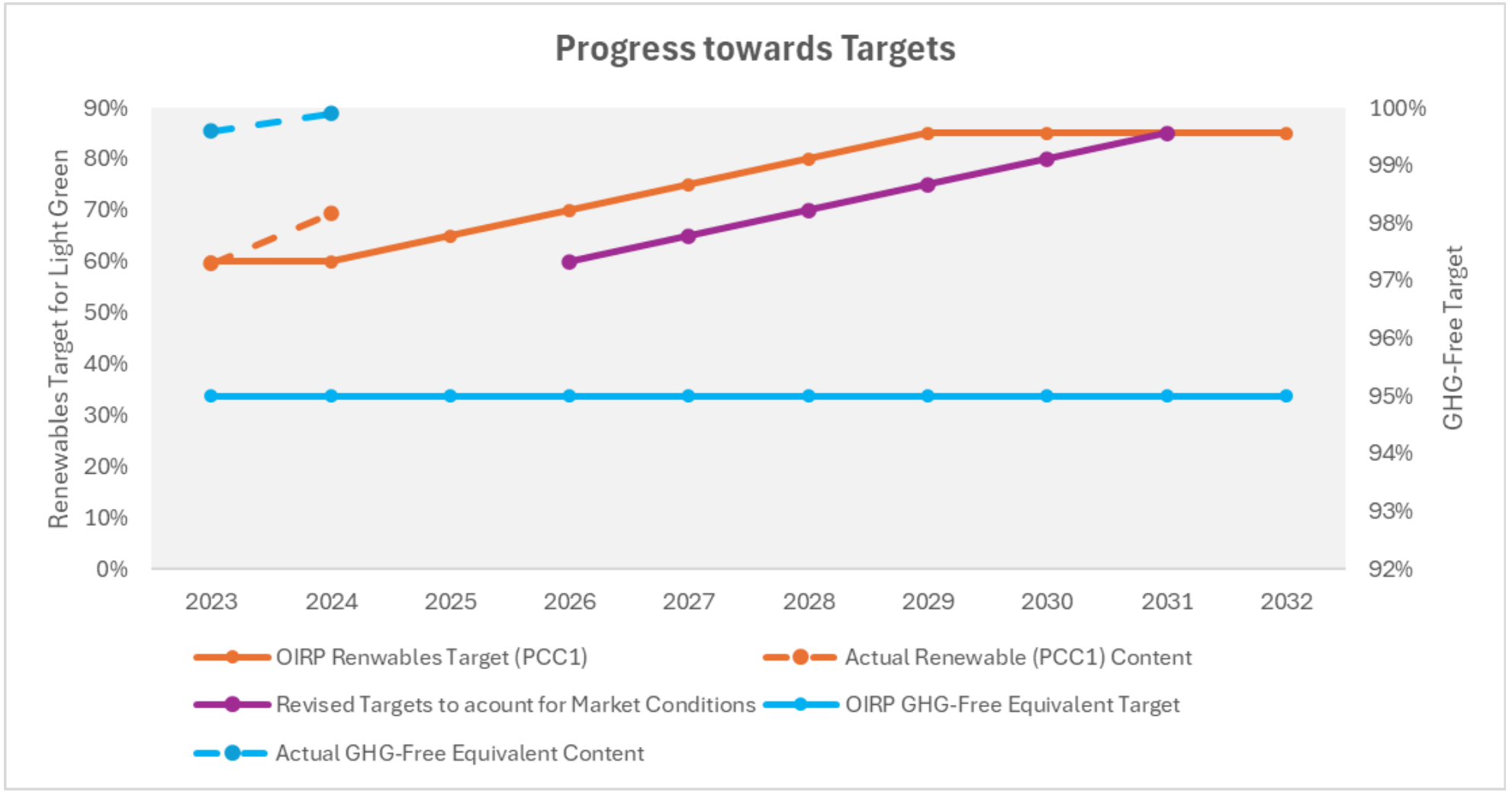
For the 2022 IRP Cycle, MCE developed one Conforming Portfolio that:

- Included plans for:
  - 1091 MW of new capacity by 2035
  - 85% renewable energy content by 2029
  - 12% large hydroelectric energy by 2029
- Was consistent with MCE operational and policy guidelines (Operational IRP)
- Satisfied all CPUC assigned emissions limitations, energy, and reliability requirements

MCE's Procurement Update

2022 IRP Conforming Portfolio	Projected by 2035	Contracted Capacity**
Wind	265 MW	151 MW
Solar+Storage	212 MW Solar/ 153 MW Storage	312 MW Solar/ 263 MW Storage
Storage	400 MW	415 MW
Geothermal	109 MW	127 MW
Long Duration Storage	90 MW	35 MW
Demand Response	15 MW	15 MW*
** RA only*		
***Contracted capacity may include new or existing projects*		

MCE's Portfolio Content



Impacts of IRP on MCE

- The IRP process is used to demonstrate that MCE can, and plans to, meet reliability and GHG targets as set by the state.
- Directly impacts MCE's operation strategy and budget:
  - Influences and **constrains (but does not dictate)** MCE's future procurement efforts
  - **Can result in procurement mandates** if the PUC determines that the state requires new capacity to meet reliability and emissions requirements
  - Has a direct (but not 1:1) **impact on MCE's procurement costs → budget and rate impacts for MCE and its customers**

IRP Impacts – Past Procurement Orders

- **2019 - IRP Procurement Order (D.19-11-016)**
  - Ordered 3,300 MW of new capacity by 2023 in tranches
  - MCE share: 87.5 MW of Qualifying Capacity*
- **2021 - Mid Term Reliability (MTR) Order (D.21-06-035)**
  - Ordered 11,500 MW of new capacity by 2026 in tranches between 2023 & 2026 and with certain requirements (i.e. Long Lead Time (LLT) Resources, Diablo Canyon Replacement, etc.)
  - MCE share: 332 MW of Qualifying Capacity
- **2023 - Supplemental MTR Order (D.23-02-040)**
  - Ordered an additional 4000 MW to come online between 2026-2027 and extended LLT deadline to June 1, 2028
  - MCE share: 122 MW of Qualifying Capacity

** Technology Specific discount factors are applied to Contracted Capacity by the CPUC to calculate Qualifying Capacity.*

IRP Impacts – New Procurement Order

- In mid-January, the CPUC issued a Proposed Decision based on prior analysis identifying a need for new capacity to meet state reliability needs.
  - **Orders 6,000 MW of new capacity by 2032**.
  - Require all CPUC-jurisdictional LSEs to procure proportional shares of the 6,000 MW from 2029–2032.
  - **Drivers**: Data center load growth and transportation electrification.

For MCE,
~60 MW in 2030 &
~120 MW in 2032

What IRP Does NOT Do

The IRP does NOT:

- Select individual projects or contracts that MCE must procure
  - **MCE's procurement authority resides with this Board, and however the Board delegates such authority.**
  - **All future contracts for resources will continue to follow that approval process.**
- Determine specific or exact cost impacts for MCE
- Account for MCE or individual LSEs internal goals and constraints
- Align perfectly with market timing or contract availability to ensure least cost, optimal portfolios for individual LSEs

Next Steps

- MCE is beginning to engage in 2026 IRP Cycle
  - Just received final templates and requirements from CPUC
  - Currently scheduled to be due June 1, 2026

- MCE plans to bring IRP to Technical Committee and Board for approval in Q2 2026 before submitting to CPUC

Thank you!

mceCleanEnergy.org
info@mceCleanEnergy.org

Customer Rates, Billing, and Cost Context

MCE Budget Workshop #1

January 28, 2026

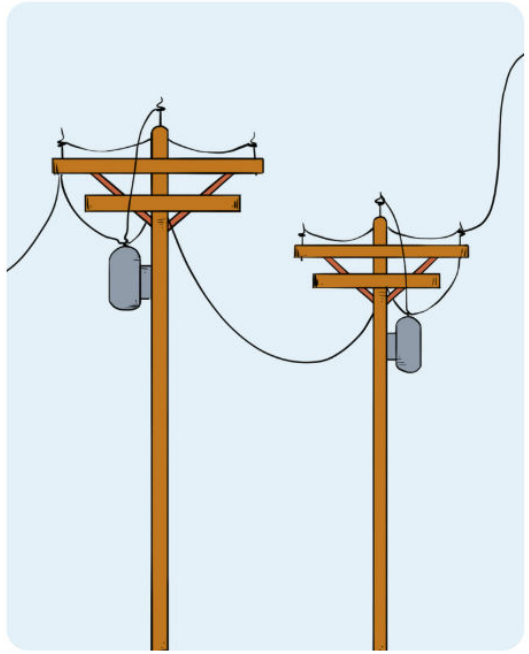
Who Controls What on the Bill?

MCE

Generation rates

Service Product

MCE-funded programs and discounts



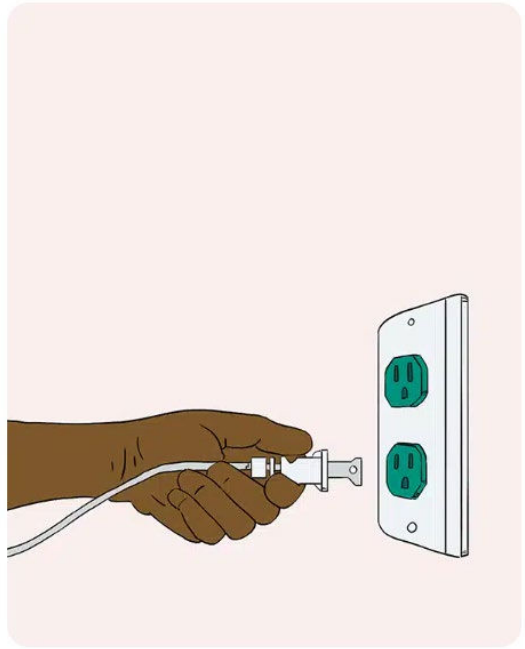
PG&E

Transmission and Distribution rates

PCIA

Public Purpose Programs

Wildfire Mitigation and Recovery



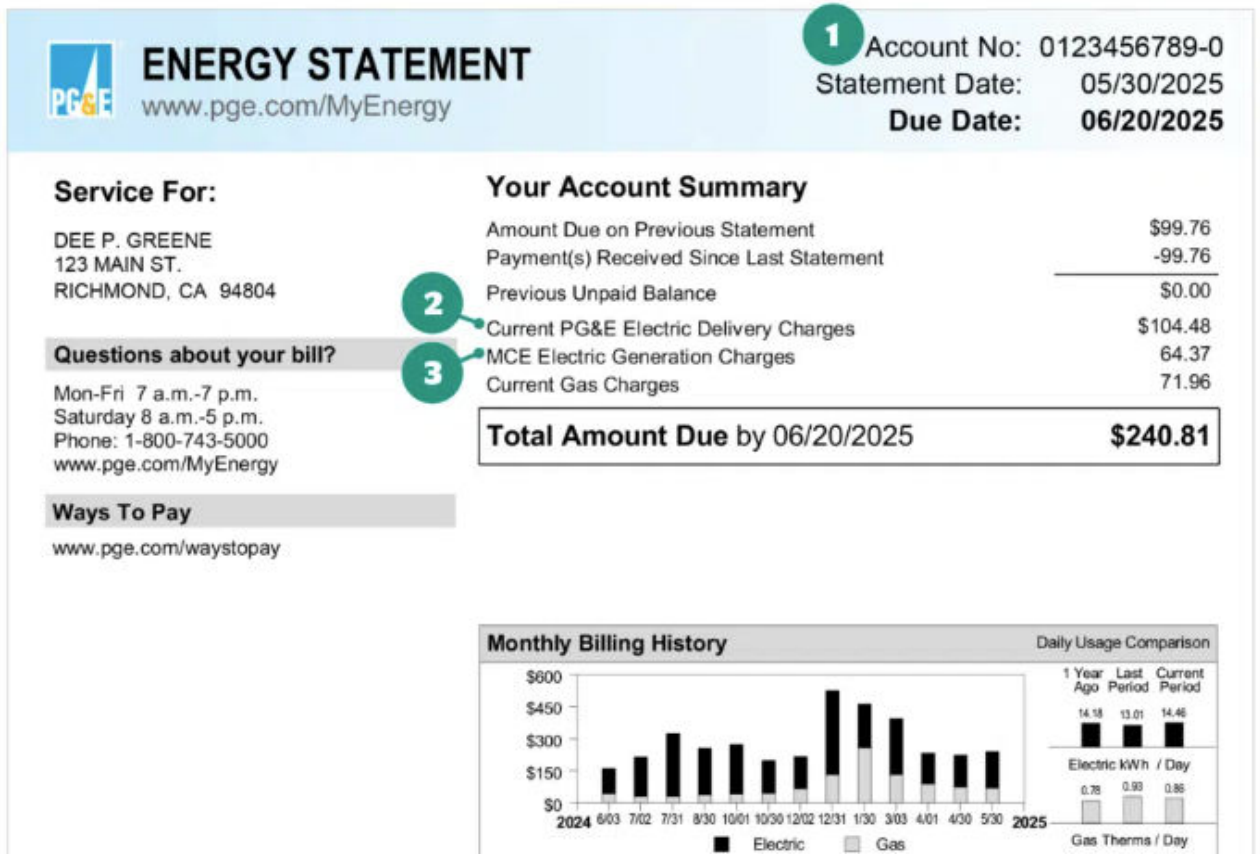
The Customer

Rate Selection

Usage Patterns

Electrification upgrades, Energy Efficiency additions or Battery Storage

Sample MCE Customer Bill



ENERGY STATEMENT
www.pge.com/MyEnergy

1 Account No: 0123456789-0
Statement Date: 05/30/2025
Due Date: 06/20/2025

Service For:

DEE P. GREENE
123 MAIN ST.
RICHMOND, CA 94804

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	$99.76
Payment(s) Received Since Last Statement	-99.76
Previous Unpaid Balance	$0.00
2 Current PG&E Electric Delivery Charges	$104.48
3 MCE Electric Generation Charges	64.37
Current Gas Charges	71.96
Total Amount Due by 06/20/2025	**$240.81**

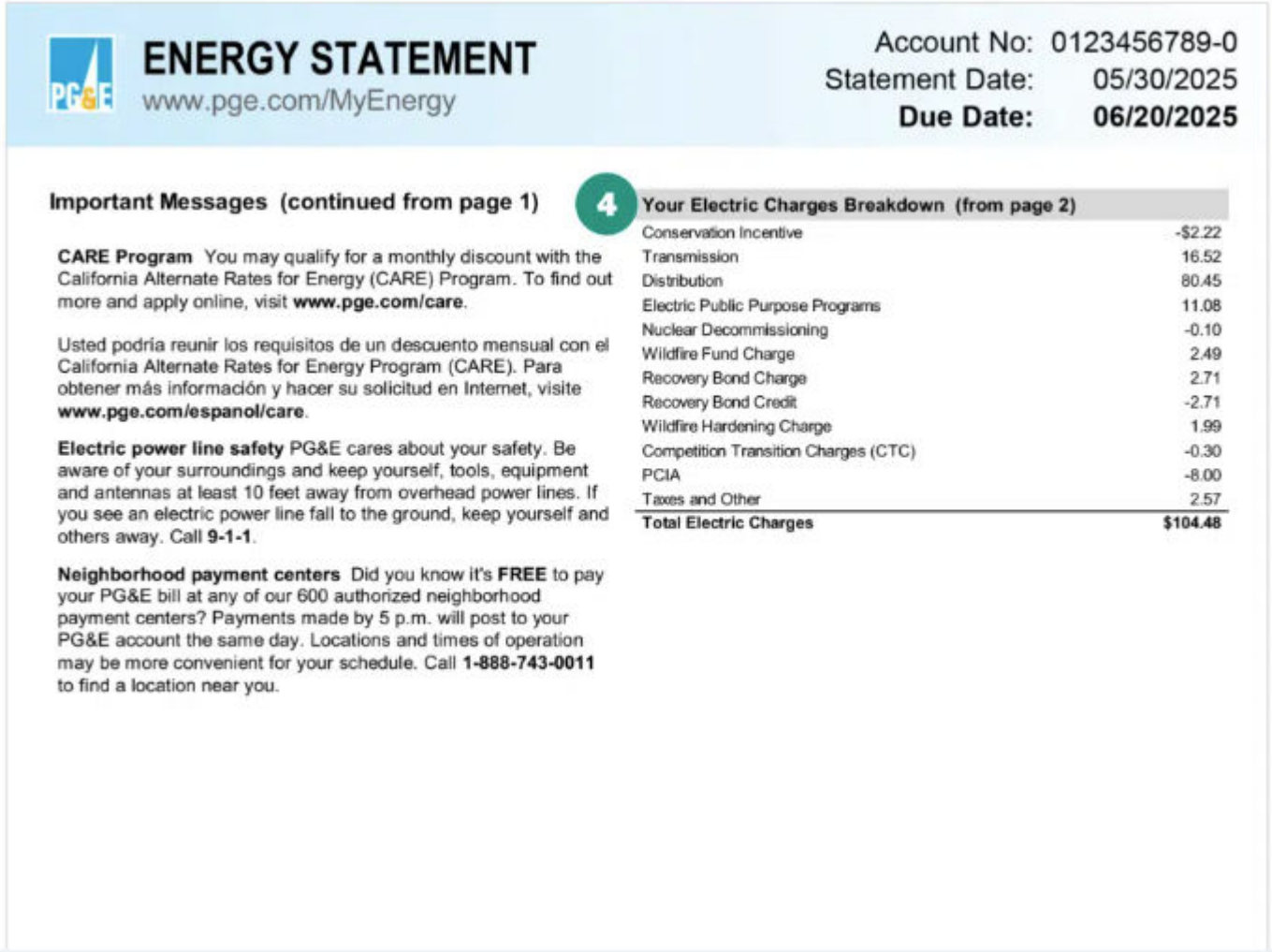
Monthly Billing History

Daily Usage Comparison

What Makes up an Energy Bill?

1. **PG&E-assigned Account Number**
2. **PG&E Electric Delivery Charges**
3. **MCE Electric Generation Charge**

Sample MCE Customer Bill



ENERGY STATEMENT
www.pge.com/MyEnergy

Account No: 0123456789-0
Statement Date: 05/30/2025
Due Date: 06/20/2025

Important Messages (continued from page 1)

CARE Program You may qualify for a monthly discount with the California Alternate Rates for Energy (CARE) Program. To find out more and apply online, visit **www.pge.com/care**.

Usted podría reunir los requisitos de un descuento mensual con el California Alternate Rates for Energy Program (CARE). Para obtener más información y hacer su solicitud en Internet, visite **www.pge.com/espanol/care**.

Electric power line safety PG&E cares about your safety. Be aware of your surroundings and keep yourself, tools, equipment and antennas at least 10 feet away from overhead power lines. If you see an electric power line fall to the ground, keep yourself and others away. Call **9-1-1**.

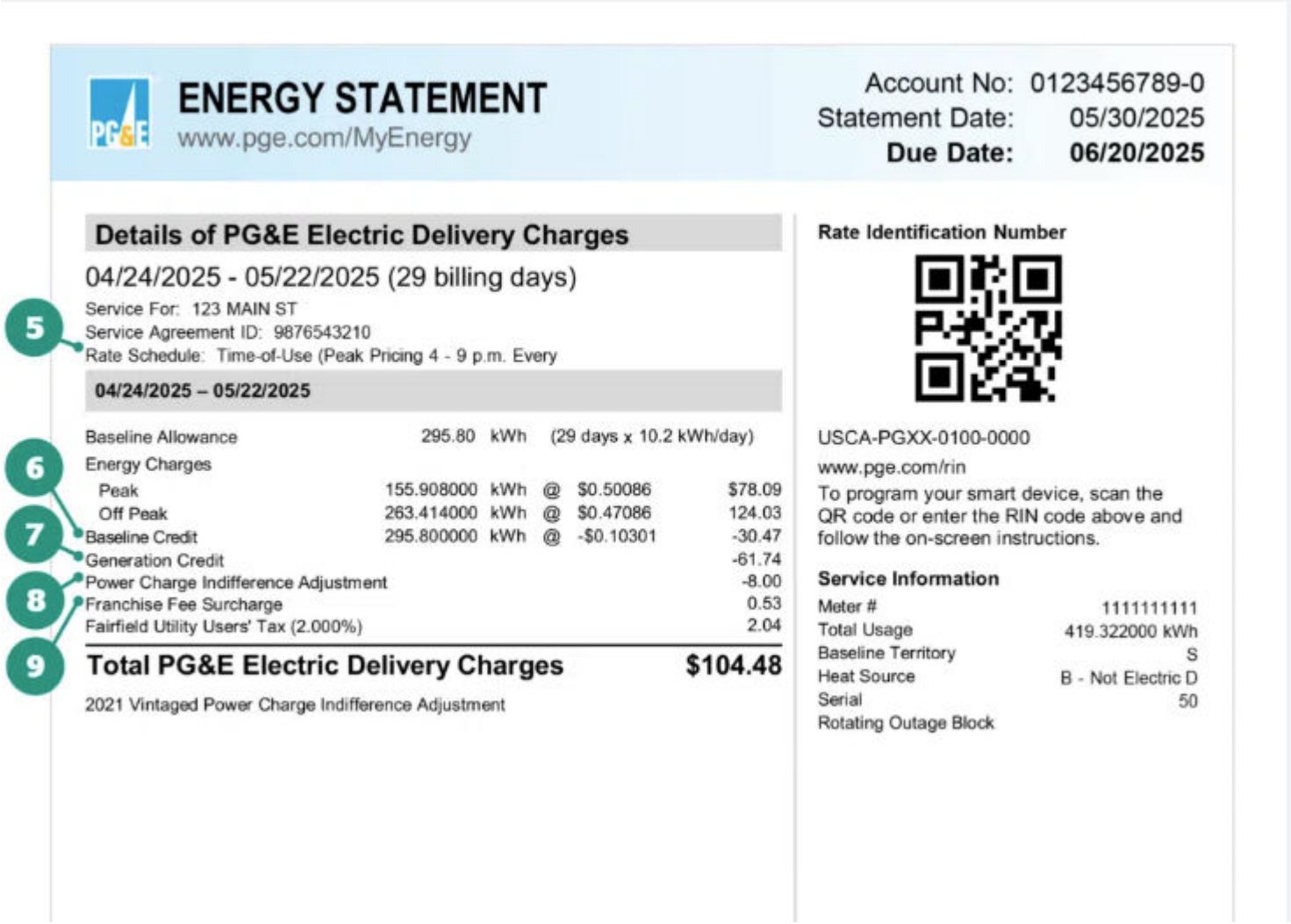
Neighborhood payment centers Did you know it's **FREE** to pay your PG&E bill at any of our 600 authorized neighborhood payment centers? Payments made by 5 p.m. will post to your PG&E account the same day. Locations and times of operation may be more convenient for your schedule. Call **1-888-743-0011** to find a location near you.

4

Your Electric Charges Breakdown (from page 2)	
Conservation Incentive	-$2.22
Transmission	16.52
Distribution	80.45
Electric Public Purpose Programs	11.08
Nuclear Decommissioning	-0.10
Wildfire Fund Charge	2.49
Recovery Bond Charge	2.71
Recovery Bond Credit	-2.71
Wildfire Hardening Charge	1.99
Competition Transition Charges (CTC)	-0.30
PCIA	-8.00
Taxes and Other	2.57
Total Electric Charges	**$104.48**

4. Detailed Summary of PG&E Fees

Sample MCE Customer Bill



ENERGY STATEMENT
www.pge.com/MyEnergy

Account No: 0123456789-0
Statement Date: 05/30/2025
Due Date: 06/20/2025

Details of PG&E Electric Delivery Charges

04/24/2025 - 05/22/2025 (29 billing days)

Service For: 123 MAIN ST
Service Agreement ID: 9876543210
Rate Schedule: Time-of-Use (Peak Pricing 4 - 9 p.m. Every

04/24/2025 – 05/22/2025

Baseline Allowance	295.80	kWh	(29 days x 10.2 kWh/day)		
Energy Charges					
Peak	155.908000	kWh	@	$0.50086	$78.09
Off Peak	263.414000	kWh	@	$0.47086	124.03
Baseline Credit	295.800000	kWh	@	-$0.10301	-30.47
Generation Credit					-61.74
Power Charge Indifference Adjustment					-8.00
Franchise Fee Surcharge					0.53
Fairfield Utility Users' Tax (2.000%)					2.04
Total PG&E Electric Delivery Charges					**$104.48**

2021 Vintaged Power Charge Indifference Adjustment

Rate Identification Number

USCA-PGXX-0100-0000
www.pge.com/rin
To program your smart device, scan the QR code or enter the RIN code above and follow the on-screen instructions.

Service Information

Meter #	1111111111
Total Usage	419.322000 kWh
Baseline Territory	S
Heat Source	B - Not Electric D
Serial	50
Rotating Outage Block	

5. **Rate Schedule** – Time of Use, Electric Vehicle, Net Energy Metering

6. **Baseline Credit** – Discount provided for a specific usage amount based on location, season, and electrification

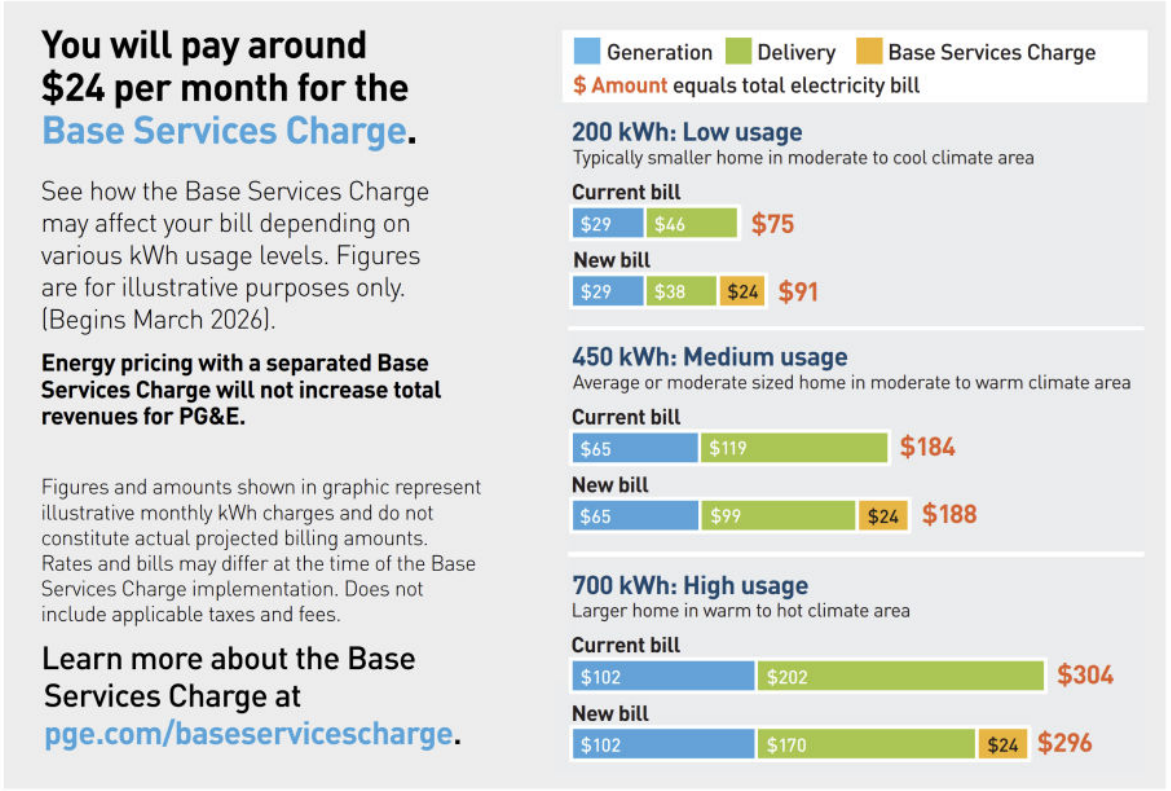
7. **Generation Credit** – The amount PG&E would have charged a Bundled Generation Customer.
   - Bundled customers receive generation services from PG&E. Unbundled customers receive generation services from their local CCA.

8. **PCIA**

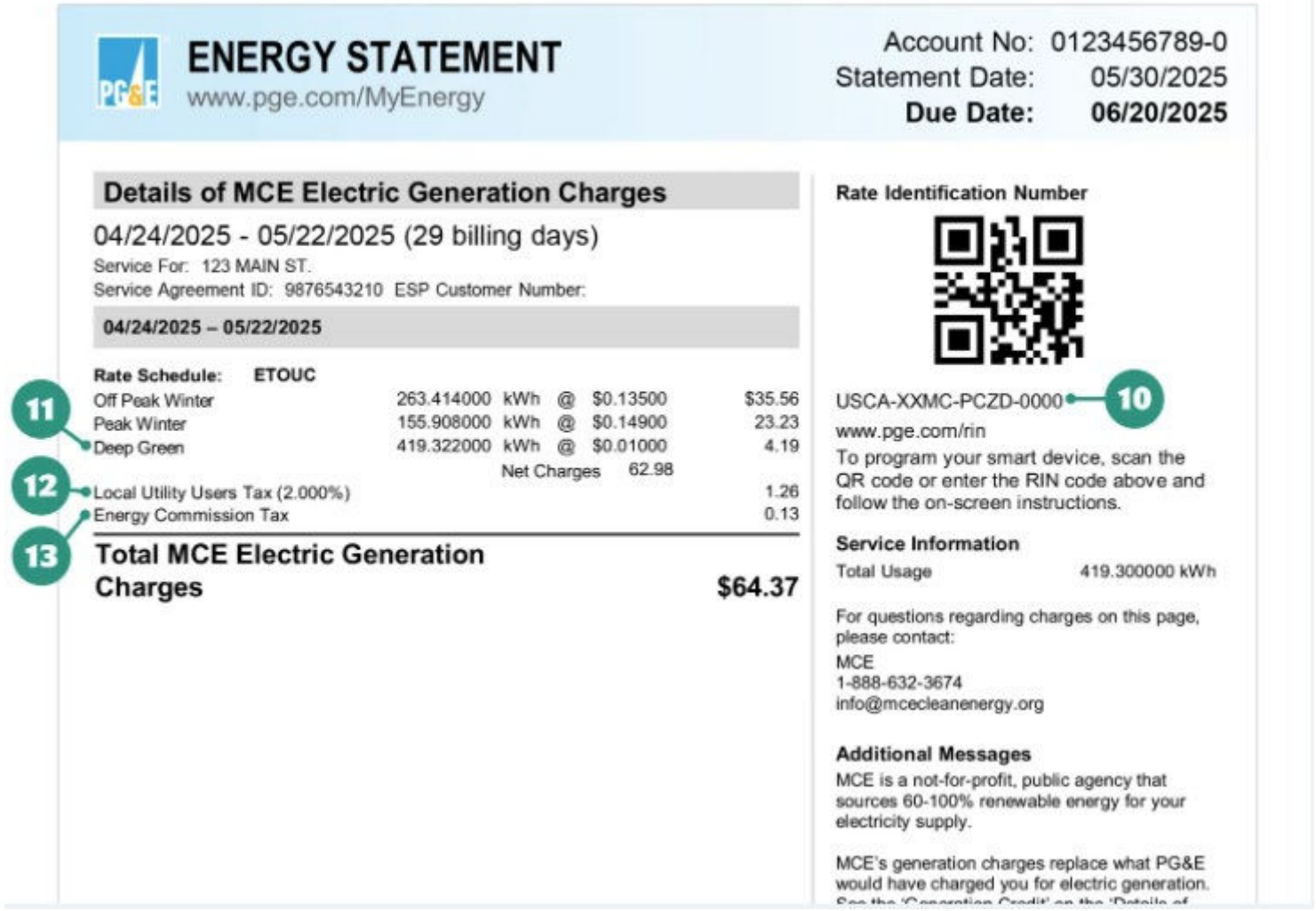
9. **Franchise Fee Surcharge**

PG&E Base Services Charge – Effective March ‘26

- Applies to all PG&E residential customers, including MCE (not generation-related)
- Restructures PG&E T&D charges by moving some costs from per-kWh rates into a flat monthly charge
- Not a new fee – required by state law (AB 205)
- Covers grid infrastructure and maintenance, billing, call center, customer service, public purpose, and energy programs
- **Monthly Charges** (Average)
  - ~$24 most customers
  - ~$12 FERA / deed-restricted housing
  - ~$6 CARE
- **Customer Impact**
  - PG&E per-kWh delivery rates decrease
  - Low-usage customers may pay slightly more; higher-usage customers may pay slightly less



Sample MCE Customer Bill



ENERGY STATEMENT
www.pge.com/MyEnergy

Account No: 0123456789-0
Statement Date: 05/30/2025
Due Date: 06/20/2025

Details of MCE Electric Generation Charges

04/24/2025 - 05/22/2025 (29 billing days)

Service For: 123 MAIN ST.
Service Agreement ID: 9876543210 ESP Customer Number:

04/24/2025 – 05/22/2025

Rate Schedule: ETOUC

Off Peak Winter	263.414000	kWh @	$0.13500	$35.56
Peak Winter	155.908000	kWh @	$0.14900	23.23
Deep Green	419.322000	kWh @	$0.01000	4.19
		Net Charges	62.98	
Local Utility Users Tax (2.000%)				1.26
Energy Commission Tax				0.13

Total MCE Electric Generation Charges **$64.37**

Rate Identification Number

USCA-XXMC-PCZD-0000

www.pge.com/rin

To program your smart device, scan the QR code or enter the RIN code above and follow the on-screen instructions.

Service Information

Total Usage 419.300000 kWh

For questions regarding charges on this page, please contact:
MCE
1-888-632-3674
info@mcecleanenergy.org

Additional Messages

MCE is a not-for-profit, public agency that sources 60-100% renewable energy for your electricity supply.

MCE's generation charges replace what PG&E would have charged you for electric generation.

11. **Rate Identification Number**
12. **Deep Green**
13. **Local Utility Users Tax**
14. **Energy Commission Tax**

Rates versus Costs

Rates are what service providers charge per unit of energy consumed.

- Time of Use
- Net Energy Metering
- Electric Vehicle
- Small/Medium Business

Costs are what the customer ultimately pays for their consumption, which is a combination of multiple factors:

- Rate schedule (ETOUC vs. EV)
- Usage Patterns
- Service option (Light Green vs. Deep Green)
- Discount programs (CARE, FERA)
- PCIA Vintage
- Utility User Tax
- Baseline credit territory

Breakdown of Rates

Bundled Rate: Combined total electricity rates charged to non-CCA customers.

PG&E rates effective as of January 1,2026

RATES:
(Cont'd.)

E-TOU-C TOTAL BUNDLED RATES

Total Energy Rates ($ per kWh)	PEAK		OFF-PEAK	
Summer				
Total Usage	$0.58943	(R)	$0.46643	(R)
Baseline Credit (Applied to Baseline Usage Only)	($0.09566)	(I)	($0.09566)	(I)
Winter				
Total Usage	$0.46460	(R)	$0.43460	(R)
Baseline Credit (Applied to Baseline Usage Only)	($0.09566)	(I)	($0.09566)	(I)
Delivery Minimum Bill Amount ($ per meter per day)	$0.40317			
California Climate Credit (per household, per semi-annual payment occurring in the April and October bill cycles)	($36.18)	(I)		

Unbundled Rate: Bundled rate minus IOU generation costs.

*For CCA customers, PG&E shows its bundled rate charged on the bill and then removes the generation portion through a credit

Breakdown of a Rate Schedule

PG&E rates effective as of January 1,2026

Energy Rates by Component ($ per kWh)	PEAK		OFF-PEAK	
Generation:				
Summer (all usage)	$0.20782	(R)	$0.10482	(R)
Winter (all usage)	$0.13710	(R)	$0.11042	(R)
Distribution:**				
Summer (all usage)	$0.23301	(R)	$0.21301	(R)
Winter (all usage)	$0.17889	(R)	$0.17557	(R)
Conservation Incentive Adjustment (Baseline Usage)	($0.03239)	(I)		
Conservation Incentive Adjustment (Over Baseline Usage)	$0.06327	(R)		
Transmission* (all usage)	$0.04638	(R)		
Transmission Rate Adjustments* (all usage)	$0.00315	(I)		
Reliability Services* (all usage)	$0.00013	(R)		
Public Purpose Programs (all usage)	$0.02829	(I)		
Nuclear Decommissioning (all usage)	($0.00002)	(I)		
Competition Transition Charges (all usage)	$0.00027	(I)		
Energy Cost Recovery Amount (all usage)	$0.00002	(I)		
Wildfire Fund Charge (all usage)	$0.00591	(R)		
New System Generation Charge (all usage)**	$0.00792	(I)		
Wildfire Hardening Charge (all usage)	$0.00339			
Recovery Bond Charge (all usage)	$0.00778			
Recovery Bond Credit (all usage)	($0.00778)			
Bundled Power Charge Indifference Adjustment (all usage)***	($0.01011)	(I)		

Generation: the cost of sourcing electricity for a home's needs. PG&E "refunds" CCA customers for these services through a generation credit.

Transmission and Distribution: the cost for maintaining the grid and delivering energy. The same T&D rates are charged for all IOU and CCA customers. ***Base services charge will be extracted and identified separately here.***

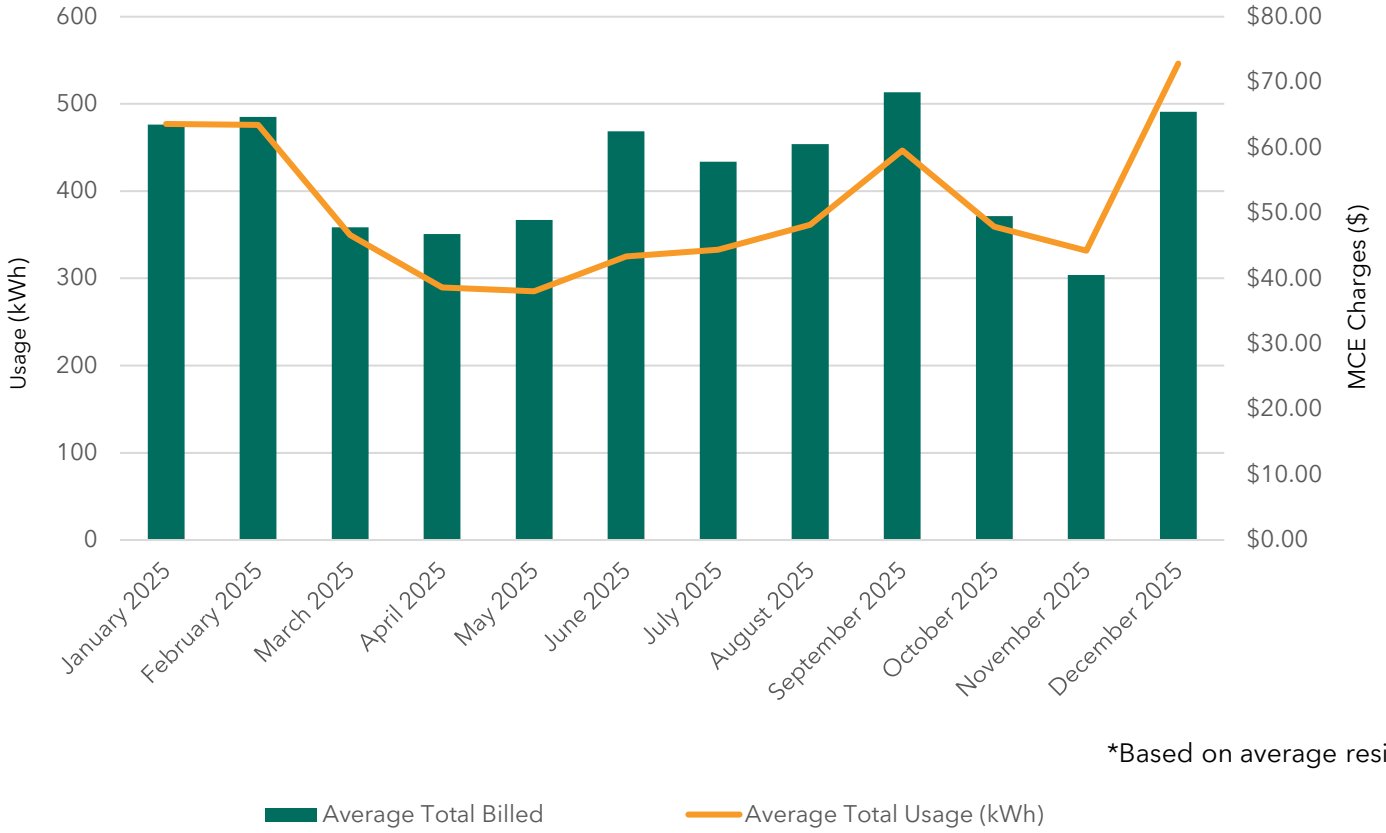
Public Purpose Programs: fund CARE, FERA, and other CPUC programs. Many MCE programs are funded by the PPP.

Wildfire-related Charges: recover PG&E costs for system hardening, mitigation, and wildfire settle payouts.

Power Charge Indifference Adjustment: bundled customers receive the most recently available vintage (2025/26)

What Causes Bills to go Up and Down?

Seasonality



*Based on average residential MCE customer

MCE Time of Use Rate

Rates as of January 1, 2023

ETOUC, EMTOUC - Default Residential Time-of-Use

Summer - Service June 1 through September 30	
Peak	$0.195/kWh
Off Peak	$0.144/kWh
Winter - Service October 1 through May 31	
Peak	$0.149/kWh
Off Peak	$0.135/kWh

What Causes Bills to go Up and Down?

Customer Behavior

	Low Peak	Average	High Peak
PG&E Delivery Costs*	$157.80	$159.80	$163.80
Generation Costs	$74.55	$79.65	$89.85
Additional PG&E Fees	$18.60	$18.60	$18.60
Total Electric Charges	**$250.95**	**$258.05**	**$272.25**

*MCE customer, 500 kWh usage, summer ETOUC rates as of January 1st 2026

- Time-of-Use rates influence customer behavior by signaling when electricity costs are highest
- Specialty rate offerings (EV, EELEC) offer stronger time-of-use rate signals

What Causes Bills to go Up and Down?

PCIA

	2017 Vintage	2022 Vintage	2025 Vintage
PG&E Delivery Costs*	$159.80	$159.80	$159.80
Generation Costs	$79.65	$79.65	$79.65
Additional PG&E Fees	$18.60	$26.60	-$4.59
Total Electric Charges	**$258.05**	**$266.05**	**$234.86**

*MCE customer, 500 kWh usage, summer ETOUC rates as of January 1st 2026

Affordability Beyond Rates

- Discount programs
- Income-qualified rates
- Bill assistance
- Demand flexibility programs

PCIA by Vintage, Effective Jan. 1, 2026

Vintage	Current PCIA	MCE Customer Count	% of Total	Community
2009	$ 0.02973	6,160	1.0%	Marin County
2010	$ 0.03366	2,385	0.4%	Marin County
2011	$ 0.03492	86,952	14.4%	Marin County
2012	$ 0.03676	18,504	3.1%	Richmond
2013	$ 0.03708	19,581	3.2%	Richmond
2014	$ 0.03686	43,635	7.2%	Benecia, El Cerrito, San Pablo, Uninc. Napa County
2015	$ 0.03680	375	0.1%	
2016	$ 0.03687	83,477	13.8%	Napa (City), American Canyon, Lafayette, Walnut Creek, Yountville
***2017**	$ 0.03661	215,016	35.6%	Concord, Danville, Martinez, Moraga, Oakley, Pinole, Pittsburg, San Ramon, Uninc. Contra Costa
2018	$ 0.03679	2,580	0.4%	
2019	$ 0.03725	10,925	1.8%	Uninc. Solano
2020	$ 0.03632	57,810	9.6%	Pleasant Hill, Vallejo
2021	$ 0.05264	38,421	6.4%	Fairfield
2022	$ 0.05272	6,343	1.0%	Fairfield NEM
2023	$ 0.05380	2,317	0.4%	
2024	$ 0.05660	9,221	1.5%	Hercules
2025	$ (0.01011)	909	0.2%	Hercules NEM

- *2017 Vintage ($.03661/kWh) is used in MCE's Joint Rate Mailer and MCE-PG&E Joint Cost Comparisons
- Weighted average PCIA: $0.03783 per kWh

Current Cost Comparison

	MCE Light Green	MCE Deep Green	PG&E
Average Total Cost	**$190.50**	**$195.97**	**$160.44**
Electricity Generation	$63.60 Served by MCE	$69.07 Served by MCE	$53.84 Served by PG&E
PG&E Electricity Delivery	$110.62	$110.62	$110.62
Additional PG&E Fees	$16.28	$16.28	-$4.02

*Amounts shown are based on a typical residential customer using 438 kWh per month on the E-TOU-C rate as of January 1, 2026. Actual costs will vary depending on usage and rate.

- PG&E typically changes rates multiple times a year and has submitted filings to the CPUC for rate increases in 2027, 2028, 2029, and 2030.
- CalCCA has filed comments highlighting concerns about the magnitude and volatility of the PCIA increase, and its growing role in driving customer bills.

MCE Value Beyond Price

Rate stability: MCE has prioritized stable, predictable generation rates through disciplined procurement and long-term planning, helping shield customers from short-term market volatility and year-to-year rate swings.

Significantly higher renewable content: MCE currently provides approximately three times more renewable energy than PG&E (69% vs. 23%). *Source: California Energy Commission*

Community reinvestment, not shareholder profit: As a not-for-profit public agency, MCE reinvests revenues back into member communities for bill discounts and savings, EV and electrification incentives, local battery storage, renewable projects, and workforce development.

Local control and public accountability: MCE is governed locally by member agencies, with transparent public meetings and direct Board oversight, ensuring customer and community interests remain the priority.

Next Steps

- Workshop #2 on 2/11/26
- Determine possible reinvestment in the MCE Cares Credit Program for Fiscal Year 2026/27
- Determine MCE Generation Rates for Fiscal Year 2026/27

Thank you!

mceCleanEnergy.org
info@mceCleanEnergy.org