



MCE Finance Committee Meeting
Monday, February 9, 2026
12:00 p.m.

Belvedere City Hall, 450 San Rafael Ave, Small Conference Room, Belvedere, CA 94920 **(Belvedere)**
Lafayette Park Hotel, 3287 Mount Diablo Blvd, Lafayette, CA 94549 **(Lafayette)**
Larkspur City Hall, 400 Magnolia Ave, Larkspur, CA 94939 **(Larkspur)**
Napa County Administration Building, 1195 Third Street, Ste. 310, Napa, CA 94558 **(Napa County)**

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

Remote Public Meeting Participation

Video Conference: <https://t.ly/tKNon>

Phone: Dial (669) 900-9128, Meeting ID: 839 1108 1030, Passcode: 167504

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) 632-3672 or ada-coordinator@mceCleanEnergy.org at least 72 hours before the meeting start time to ensure arrangements are made.

Agenda Page 1 of 2

1. Roll Call/Quorum
2. Selection of Committee Chair (Discussion/Action)
3. Board Announcements (Discussion)
4. Public Open Time (Discussion)
5. Report from Chief Operating Officer (Discussion)
6. Select Standing Meeting Date, Time, Location, and Cadence (Discussion/Action)

7. Proposed Fiscal Year 2026/27 Budget Elements (Discussion)
8. MCE Quarterly Treasurer's Report and Monthly Investment Report for December 2025
(Discussion)
9. Discuss Committee Expectations (Discussion)
10. Committee & Staff Matters (Discussion)
11. Adjourn

The Finance Committee may discuss and/or take action on any or all of the items listed on the agenda irrespective of how the items are described.



2026 MCE Board Offices and Committee Rosters

BOARD OFFICES

Chair:	Shanelle Scales-Preston, County of Contra Costa
Vice Chair:	Cindy Darling, Walnut Creek
Treasurer:	Maira Strauss, MCE Chief Financial Officer
Secretary:	Dawn Weisz, MCE Chief Executive Officer

BOARD OFFICES SELECTION PROCESS

The Chair and Vice Chair offices are held for 1 year and there are no limits on the number of terms held by either Chair or Vice Chair.¹ The selection of these offices shall take place in or near December of each year.² The office of Treasurer is appointed by the Board via an approved resolution and may be a non-board member. The Treasurer appointment, along with the delegated authority, is held for 1 year and there are no limits on the number of terms held.³ Deputy Treasurers are appointed directly by the Treasurer each year. Once appointed by the Board, the Secretary shall continue to hold the office each year until the Secretary chooses to resign from the role or the Board decides to remove the individual from the Secretary position.⁴ The Secretary does not need to be a member of the Board. All officer appointments/selections by the Board require a majority vote of the full membership of the Board.⁵

EXECUTIVE COMMITTEE *(Updated 2.2.26)*

1. Barbara Coler, Chair	Town of Fairfax
2. Stephanie Andre	City of Larkspur
3. Kari Birdseye	City of Benicia
4. Cindy Darling	City of Walnut Creek
5. Maika Llorens Gulati	City of San Rafael
6. Devin Murphy	City of Pinole
7. Laura Nakamura	City of Concord
8. Beth Painter	City of Napa
9. Max Perrey	City of Mill Valley
10. Shanelle Scales-Preston	County of Contra Costa
11. Sally Wilkinson	City of Belvedere

¹ Section 4.13.1 of MCE Joint Powers Agreement.

² Article V, Section 1 of MCE's Operating Rules and Regulations.

³ Article V, Section 1 of MCE's Operating Rules and Regulations; California Government Code § 53607.

⁴ Article IV, Section 1(c) of MCE's Operating Rules and Regulations.

⁵ Article VI, Section 2 of MCE's Operating Rules and Regulations. At MCE's current membership of 38 communities with appointed Directors, the vote needed is 20.

FINANCE COMMITTEE *(Updated 1.15.26)*

- | | |
|--|--------------------------|
| 1. Liz Alessio, <i>interested in Chair</i> | Napa County ⁶ |
| 2. Stephanie Andre | City of Larkspur |
| 3. John McCormick | City of Lafayette |
| 4. Charles Palmares | City of Vallejo |
| 5. Sally Wilkinson | City of Belvedere |

TECHNICAL COMMITTEE *(Updated 1.15.26)*

- | | |
|--------------------------------|-----------------------|
| 1. Devin Murphy, Chair | City of Pinole |
| 2. Stephanie Andre, Vice Chair | City of Larkspur |
| 3. Dion Bailey | City of Hercules |
| 4. John McCormick | City of Lafayette |
| 5. Charles Palmares | City of Vallejo |
| 6. Amanda Szakats | City of Pleasant Hill |
| 7. Cesar Zepeda | City of Richmond |

2026 AD HOC CONTRACTS COMMITTEE *(Updated 1.15.26)*

- | | |
|------------------|-----------------|
| 1. Barbara Coler | Town of Fairfax |
| 2. Devin Murphy | City of Pinole |

2026 AD HOC GOVERNANCE COMMITTEE *(Updated 1.15.26)*

- | | |
|----------------------------|----------------------------------|
| 1. Liz Alessio | Napa County and Four Napa Cities |
| 2. Kari Birdseye | City of Benicia |
| 3. Mary Sackett | County of Marin |
| 4. Shanelle Scales-Preston | Contra Costa County |

⁶ The Board approved a Finance Committee consisting of 5 to 7 Board representatives. If Director Alessio were to participate in her capacity as the delegate for four Napa Cities, the Finance Committee would effectively have 9 Board representatives, more than the 7 approved by the Board, and Director Alessio would constitute a quorum by herself, raising Brown Act compliance challenges. Given the current size of the Finance Committee, we construe the Board to have appointed Director Alessio to the Committee solely in her capacity as the MCE Board representative for Napa County.



February 9, 2026

TO: MCE Finance Committee

FROM: Maira Strauss, Chief Financial Officer and Treasurer
Efren Oxlaj, Manager of Finance

RE: Proposed Fiscal Year 2026/27 Budget Elements (Agenda Item #07)

ATTACHMENT: Presentation Proposed FY 2026/27 Budget Elements

Dear Finance Committee Members:

Summary:

This report provides a preliminary overview of the Proposed Budget elements of MCE's Operating Fund, Program Development, Resiliency Virtual Power Plant, and Energy Efficiency Fund for Fiscal Year (FY) 2026/27. The figures provided include initial estimates for energy revenue, cost of energy, operating expenses, and non-operating revenues and expenses. Projected program expenses are also shown. These figures are intended to support early Board discussion. They will be refined and presented in greater detail in the upcoming Budget Workshop on February 11, 2026. Projections shown should be viewed as high-level directional estimates only. Refinement is expected as updated procurement forecasts, rate modeling, and departmental budgets are finalized.

Background:

MCE's fiscal year runs from April 1st through March 31st. Before the beginning of every fiscal year, staff present budgets to the Executive Committee and Board of Directors for consideration. MCE currently has four funds. The Operating Fund Budget captures activities related to MCE's core functions including sales of electricity, cost of energy, operating expenses, non-operating revenues and expenses, and capital outlay. Staff work with internal subject matter experts and external technical consultants to prepare forecasts for energy revenue and cost of energy. Staff also work with department heads to forecast operating expenses. The Program Development Fund is funded by 50% of the Deep Green premium, grants, and additional transfers from the Operating Fund, subject to your Board's approval. This fund allows MCE to run several transportation electrification programs that help customers adopt electric vehicles (EVs) and install charging stations at workplaces and multifamily residences. Other electrification programs are also supported by this fund. The Resiliency Virtual Power Plant Fund focuses on scaling MCE's virtual power plant efforts and customer energy storage. This fund may also include grants and Board approved transfers from

the Operating Fund. Lastly, the Energy Efficiency Budget is entirely funded by the California Public Utilities Commission for energy efficiency programs.

A key decision for FY 2026/27 will involve selecting among five rate options, each with implications for energy revenue, cost of energy, and withdrawals from MCE's Operating Reserve Fund (ORF) which currently holds \$70 million in deferred income. Under the options being presented, the projected budget for operating, non-operating revenues, and program expenses remains the same. However, the change in net position for the fiscal year will depend on which scenario your Board selects, as each reflects different revenue assumptions and energy cost projections. For further analysis and impact on customer bills for the options being presented, please see the Rate Reduction Proposals staff report in the February 2, 2026, Executive Committee packet.

Energy Revenue, Net

Energy revenue captures income generated from sales of electricity to customers. Electricity consumption is forecasted based on MCE's customer accounts, incorporating historical usage, weather patterns and applicable rates. Actual revenue may vary depending on future weather conditions, customer behavior, and broader economic trends. For FY 2026/27, load forecasts have been adjusted downward to align with the mild summer weather observed during the last two summers in MCE's service area.

For FY 2026/27, energy revenue will vary based on the rate scenario selected by your Board. All figures presented are net of uncollectible amounts, which are forecasted at 1.2% of sales based on customer payment data, and assume stable customer participation.

Status Quo: \$772,440,000 (5.1% decrease from FY 2025/26 Approved Budget¹)

Under the status quo, MCE would maintain its current rate structure for the coming fiscal year. Energy revenue would decline by \$41.2 million year over year compared with the current Approved Budget. The decline reflects the downward adjustment to load forecasts mentioned above. This would generate sufficient energy revenue to pay for the cost of energy and other expenses. No withdrawals from the Operating Reserve Fund (ORF) would be required to generate a positive change in net position.

Rate Option 1: \$683,373,000 (16.0% decrease from FY 2025/26 Approved Budget)

Under Option 1, MCE would reduce its generation rate by 1.73¢/kWh or 12%. Energy revenue would decline by \$130.3 million year over year compared with the current Approved Budget. Revenue would be set equal to MCE's projected total expenses to achieve a break-even change in net position. No withdrawal from the ORF would be needed.

¹ The FY 2025/26 Approved Budget includes a \$13 million ORF withdrawal. The year over year percent change is calculated on the amount before the ORF withdrawal to highlight the revenue shortfalls tied to the rate options.

Rate Option 2: \$668,919,000 (17.8% decrease from FY 2025/26 Approved Budget)

Under Option 2, MCE would reduce its generation rate by 2¢/kWh or 14%. Energy revenue would decline by \$144.8 million year over year compared with the current Approved Budget. A withdrawal of \$14.5 million from the ORF would be required to generate a break-even change in net position. Absent the ORF withdrawal, MCE's net position would show a loss of \$14.5 million.

Rate Option 3: \$616,464,000 (24.2% decrease from FY 2025/26 Approved Budget)

Under Option 3, MCE would reduce its generation rate by 3¢/kWh or 21%. Energy revenue would decline by \$197.2 million year over year compared with the current Approved Budget. A withdrawal of \$66.9 million from the ORF would be required to generate a break-even change in net position. Absent the ORF withdrawal, MCE's net position would show a loss of \$66.9 million.

Rate Option 4: \$588,957,000 (27.6% decrease from FY 2025/26 Approved Budget)

Under Option 4, MCE would reduce its generation rate by 3.51¢/kWh or 24%. Energy revenue would decline by \$224.7 million year over year compared with the current Approved Budget. A withdrawal of \$70 million from the ORF would be required. Despite the withdrawal, the change in net position would show a loss of \$24.4 million as the transfer would be insufficient to cover all the costs.

Rate Option 5: \$564,009,000 (30.7% decrease from FY 2025/26 Approved Budget)

Under option 5, MCE would reduce its generation rate by 4¢/kWh or 27%. Energy revenue would decline by \$249.7 million year over year compared with the current Approved Budget. A withdrawal of \$70 million from the ORF would be required. Despite the withdrawal, the change in net position would show a loss of \$32.4 million as the transfer would be insufficient to cover all the costs.

Table 1: Summary of Proposed Energy Revenue and year over year change.

	FY 2025/26	FY 2026/27		
	Approved	Proposed	Variance \$	Variance %
Status Quo	\$ 813,689,500	\$ 772,440,000	\$ (41,249,500)	(5.1%)
Option 1	813,689,500	683,373,000	(130,316,500)	(16.0%)
Option 2	813,689,500	668,919,000	(144,770,500)	(17.8%)
Option 3	813,689,500	616,464,000	(197,225,500)	(24.2%)
Option 4	813,689,500	588,957,000	(224,732,500)	(27.6%)
Option 5	813,689,500	564,009,000	(249,680,500)	(30.7%)

Operating Reserve Fund

Options 2 through 5 would require withdrawals from the ORF, also known as the Rate Stabilization Fund. Your Board approved contributions of deferred revenue into the fund in previous years in accordance with Policy 16. The ORF currently holds \$70 million of deferred

income². This is income that MCE did not recognize in previous fiscal years and can recognize in future fiscal years where net revenues are projected to be negative. By drawing on deferred revenue in years with lower energy margins, such as the upcoming fiscal year, MCE can maintain rate stability and mitigate abrupt changes in relative cost competitiveness resulting from PG&E rate changes.

Table 2: Summary of Proposed Energy Revenue with ORF withdrawals.

	Energy Revenue	ORF Withdrawal	Total
FY 2025/26	\$ 813,689,500	\$ 13,000,000	\$ 826,689,500
Status Quo	772,440,000	-	772,440,000
Option 1	683,373,000	-	683,373,000
Option 2	668,919,000	14,454,000	683,373,000
Option 3	616,464,000	66,909,000	683,373,000
Option 4	588,957,000	70,000,000	658,957,000
Option 5	564,009,000	70,000,000	634,009,000

Cost of Energy

The cost of energy represents the largest expense for MCE. This category includes costs for portfolio content category 1 (PCC1) renewable energy, market hedges, and carbon-free energy from large hydroelectric or asset-controlling suppliers. Resource adequacy and net CAISO costs are also included. Energy costs fluctuate based on market conditions, including CAISO electricity prices, hydro availability, renewable generation output, and congestion in CAISO markets. These factors can materially increase or decrease MCE's procurement costs from year to year.

The cost of energy will vary depending on whether your Board selects Rate Option 5. As shown on the Rate Reduction Proposals staff report in the February 2, 2026, Executive Committee packet, your Board has options that could be utilized to reduce the cost of energy by up to \$17 million.

Status Quo: \$631,944,000 (17.5% decrease from FY 2025/26 Approved Budget)

Under the status quo, the cost of energy is projected to decline year over year. This decrease is driven primarily by lower forward prices for renewable energy, resource adequacy, and hedge contracts. MCE procures a decreasing share of its energy needs through forward contracts over time, which means that as older, higher-priced contracts expire, new procurement is occurring at more favorable market prices. As a result, the average cost of energy is trending downward. This reflects a reversal of the conditions experienced in the current fiscal year when rising market prices contributed to increase in MCE's cost of energy.

² Although the ORF balance is recorded as deferred income on MCE's financial statements, this is strictly an accounting treatment. The underlying \$70 million is actual cash that MCE already collected in prior years. These funds remain available for liquidity needs and can be invested in accordance with MCE's investment policy.

Table 3: Cost of energy breakdown.

Cost of Energy	FY 2025/26	FY 2026/27	Variance \$	Variance %
	Approved Budget	Proposed Budget		
Energy Contracts	\$ 534,745,000	\$ 438,275,000	\$ (96,470,000)	(18.0%)
Resource Adequacy	145,713,000	105,565,000	(40,148,000)	(27.6%)
Net CAISO Costs	85,084,000	88,104,000	3,020,000	3.5%
Total	765,542,000	631,944,000	(133,598,000)	(17.5%)

A breakdown of the energy contracts category will be provided at the upcoming Budget Workshop on February 11, 2026.

Options 1 through 4 assume the same cost of energy under the status quo.

Rate Option 5: \$614,000,000 (19.7% decrease from FY 2025/26 Approved Budget)

Under Option 5, MCE would need to reduce the cost of energy by \$17 million to mitigate the impact of the revenue drop caused by the 4¢/kWh generation rate reduction. However, even after cost reductions and withdrawal from the ORF, MCE's change in net position would show a loss of \$32.4 million.

Operating Expenses: \$55,586,000 (10.6% increase from FY 2025/26 Approved Budget)

Operating expenses encompass a broad set of activities that support MCE's core operations. This includes:

- Data manager costs for billing and customer data management.
- Technical and Scheduling consultants for CAISO market participation and load forecasting.
- PG&E service fees for customer data processing and billing coordination.
- Legal and policy services from external providers.
- Communication services, including marketing and community engagement.
- Other professional services ranging from accounting to consultants developing MCE's CRM and data analytics infrastructure.
- General and Administrative including software costs, recruitment, and industry memberships.
- Occupancy costs for MCE's offices.
- Personnel costs such as wages, taxes, and benefits.
- A contingency allocation to address unforeseen expenses across these categories.

The proposed budget for operating expenses is rising in several key areas.

- Data management costs for billing are increasing due to higher than anticipated accounts served following the enrollment of the City of Hercules and high general customer retention rates.

- Technical and scheduling consultant costs are growing because MCE is potentially transitioning to a new scheduling services provider, resulting in temporary vendor overlap and one-time transition expenses.
- PG&E service fees are increasing as the per-account charge has risen from 35 to 42 cents, and FY 2026/27 will reflect the first full year of this higher rate.
- General and administrative expenses are also increasing, driven by higher software and data platform costs. The proposed increase also brings the budget for recruitment-related expenses in line with actual costs being incurred.
- Personnel costs are increasing due to the full year impact of vacant positions that were filled late in the current fiscal year amidst increasing workload in many staff departments. Similarly, the coming fiscal year will see the full year impact of the cost of living and health benefit adjustments made in this fiscal year. Four new positions are also needed to balance the increased workload being experienced by staff.

Non-Operating Revenues Net: \$13,457,000 (8.9% decrease from FY 20225/26 Approved Budget)
Non-operating revenues, net is the difference between non-operating revenues and non-operating expenses. Nonoperating revenues include interest and investment income from MCE's cash and fixed income portfolio. Staff is conservatively assuming an average annual yield of 2.5% on the beginning balance of MCE's holdings. Nonoperating expenses include bank fees associated with MCE's credit facility.

Program Development Fund: \$6,926,000 (10.8% increase from FY 2025/26 Approved Budget)
The Program Development Fund Budget focuses on transportation electrification programs and other electrification efforts. It is financed by a transfer from the Operating Budget equal to 50% of the 1.25¢/kWh Deep Green premium plus additional amounts approved by your Board. In addition to the transfer, the fund may contain grant funding from external grantors.

The proposed spend for FY 2026/27 is \$6.9 million, of which \$5.9 million would be allocated to EV-related programs. This allocation would allow MCE to increase the rebate amount for Level 1 charging outlets and increase implementer budgets to provide greater customer project support. The proposed budget would also allow MCE to provide over 870 rebates for purchasing an EV to income qualified customers.

Resiliency Virtual Power Plant (VPP) Fund: \$2,374,000 (18.9% decrease from FY 2025/26 Approved Budget)

Your Board approved the creation of the Resiliency VPP Fund in 2019 in response to power outages which significantly impact the safety, health, and welfare of MCE's customers, especially our vulnerable populations. Since then, the fund has expanded its scope to help scale MCE's virtual power plants efforts. Like the Program Development Fund, this fund is financed by a transfer from the Operating Fund. Your Board has approved and transferred \$9 million from the Operating Fund since its inception. In addition to the transfer, the fund may contain grant funding from external grantors.

The budget would also support incentives for installing heat pump water heaters and other electrification efforts.

The proposed budget would allow MCE to meet the \$1 million match requirement under the VPP Flex grant from the California Energy Commission (CEC). It would also allow MCE to allocate \$927 thousand to the MCE Sync program which helps customers shift their EV charging from peak hours and encourages charging during solar daytime hours through MCE’s proprietary app. The budget would also support MCE’s energy storage program, VPP pilot, and other grant match requirements.

Change in Net Position

The change in net position is the bottom line and reflects all revenues minus all expenses. The change in net position will vary subject to the rate option your Board selects.

Under the status quo MCE’s change in net position would show a gain of \$89 million.

	<u>Status Quo</u>
Energy Revenue, Net	\$ 772,440,000
ORF Withdrawal	0
Cost of Energy	(631,944,000)
Operating Expenses	(55,586,000)
Non-Operating Revenues, Net	13,457,000
Program Expenses	(9,300,000)
Consolidated Change in Net Position	<u>89,067,000</u>

Assumptions:

ORF Withdrawals	0
Cost of Energy Reduction	0

Under Option 1, MCE's change in net position would be \$0 (breakeven). Revenues would be set equal to costs.

	Option 1
Energy Revenue, Net	\$ 683,373,000
ORF Withdrawal	0
Cost of Energy	(631,944,000)
Operating Expenses	(55,586,000)
Non-Operating Revenues, Net	13,457,000
Program Expenses	(9,300,000)
Consolidated Change in Net Position	<u>0</u>

Assumptions:

ORF Withdrawals	0
Cost of Energy Reduction	0

Under Option 2, MCE's change in net position would be \$0 (breakeven) by withdrawing \$14.5 million from the ORF.

	Option 2
Energy Revenue, Net	\$ 668,919,000
ORF Withdrawal	14,454,000
Cost of Energy	(631,944,000)
Operating Expenses	(55,586,000)
Non-Operating Revenues, Net	13,457,000
Program Expenses	(9,300,000)
Consolidated Change in Net Position	<u>0</u>

Assumptions:

ORF Withdrawals	14,454,000
Cost of Energy Reduction	0

Under Option 3, MCE's change in net position would be \$0 (breakeven) by withdrawing \$66.9 million from the ORF.

	<u>Option 3</u>
Energy Revenue, Net	\$ 616,464,000
ORF Withdrawal	66,909,000
Cost of Energy	(631,944,000)
Operating Expenses	(55,586,000)
Non-Operating Revenues, Net	13,457,000
Program Expenses	(9,300,000)
Consolidated Change in Net Position	<u><u>0</u></u>

Assumptions:

ORF Withdrawals	66,909,000
Cost of Energy Reduction	0

Under Option 4, MCE's change in net position would show a loss of \$24.4 million even after withdrawing \$70 million from the ORF.

	<u>Option 4</u>
Energy Revenue, Net	\$ 588,957,000
ORF Withdrawal	70,000,000
Cost of Energy	(631,944,000)
Operating Expenses	(55,586,000)
Non-Operating Revenues, Net	13,457,000
Program Expenses	(9,300,000)
Consolidated Change in Net Position	<u><u>(24,416,000)</u></u>

Assumptions:

ORF Withdrawals	70,000,000
Cost of Energy Reduction	0

Under Option 5, MCE’s change in net position would show a loss of \$32.4 million even after withdrawing \$70 million from the ORF and reducing cost of energy by \$17 million.

	Option 5
Energy Revenue, Net	\$ 564,009,000
ORF Withdrawal	70,000,000
Cost of Energy	(614,944,000)
Operating Expenses	(55,586,000)
Non-Operating Revenues, Net	13,457,000
Program Expenses	(9,300,000)
Consolidated Change in Net Position	(32,364,000)

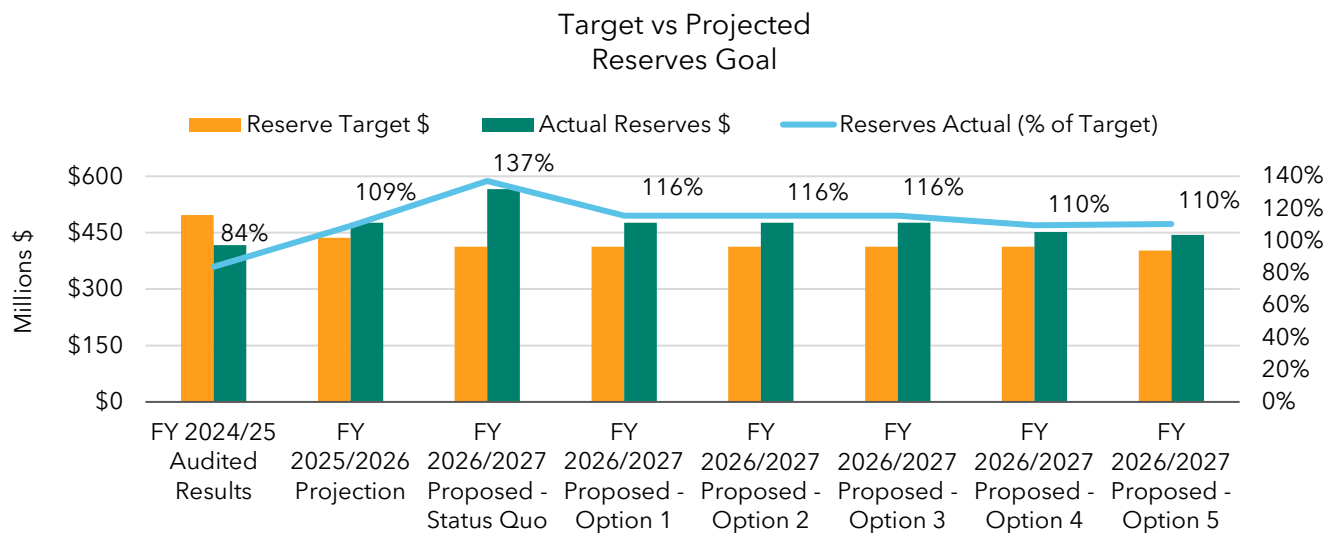
Assumptions:

ORF Withdrawals	70,000,000
Cost of Energy Reduction	17,000,000

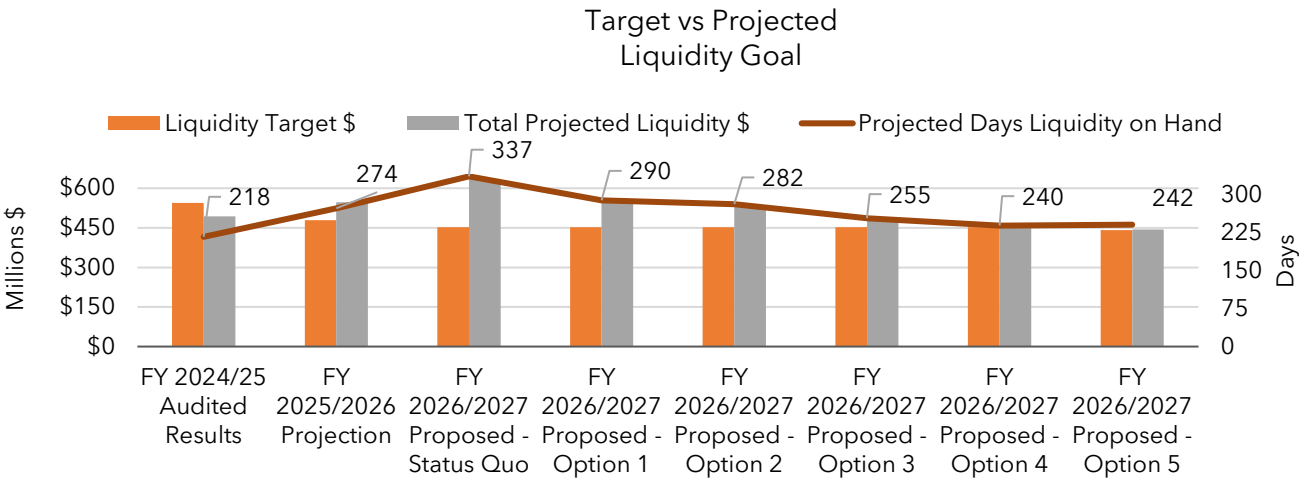
Although MCE would experience a negative change in net position in Option 4 and 5, the agency would still meet its reserve and liquidity targets as shown below.

Reserves and Liquidity

MCE’s reserve target is to have 60% of expected cost of energy and operating expenses. Reserves are accounted for as the Net Position in MCE’s financial statements. The reserve goals are satisfied under each of the proposed options outlined above.



From a liquidity³ perspective, MCE would have sufficient cash to run the operations and no external funding sources would be required even under Options 4 and 5, which would generate a negative change in net position. Reserves were intentionally built to provide financial stability during periods of volatility and timing related impacts.



Like reserve goals, MCE would meet its liquidity target of 240 days on hand under each of the proposed options outlined above.

Fiscal Impacts:
None at this time.

Recommendation:
Discussion only.

³ Days cash on hand is based on unrestricted cash and investments x 365/ (operating expenses + cost of energy, each for the current fiscal year). Projections are based on the forecasted net position.



Proposed Fiscal Year 2026/27 Budget Elements

MCE Finance Committee

February 9, 2026



Meet the Presenter



Maíra Strauss

Chief Financial Officer and Treasurer

Maíra leads all of MCE's financial operations and strategies, which include FP&A, Strategic Finance, Accounting and Risk Management.

Maíra brings over 15 years of experience in financial management and strategic planning to her role. Prior to joining MCE, she consulted on strategic business practices for various international foundations and startups and worked in the energy industry in Brazil. Maíra holds a bachelor's degree in business administration from SFSU and a post-baccalaureate certificate in business strategies from ESPM- RJ in Rio de Janeiro, Brazil.

Meet the Presenter

Efren Oxlaj

Manager of Finance

Efren has been with MCE since 2019. He is responsible for financial planning, modeling, reporting and general financial operations. He played a key role in the issuance of more than \$2.5 billion in prepay bonds and currently represents MCE on the California Community Choice Financing Authority Working Group.

Efren holds a BS in Economics from Santa Clara University and is currently enrolled in its MS in Finance & Analytics program.



Context for FY 2026/27 Budget Setting

Current Situation (2026)

Bundled Gen + PCIA temporarily < MCE Gen Rate + PCIA

- Increase driven by PCIA reforms and improper retroactive ratemaking; CalCCA has filed an appeal
- This is an anomaly, not a true cost trend

MCE Position

- Lower current power costs → rate-reduction headroom
- Staff has developed rate-reduction options

Looking Ahead (2027+)

- PCIA values expected to converge, eliminating the temporary distortion
- MCE's cost-of-service-based rates are projected to be below PG&E's

(Generation + PCIA) Rate Comparison



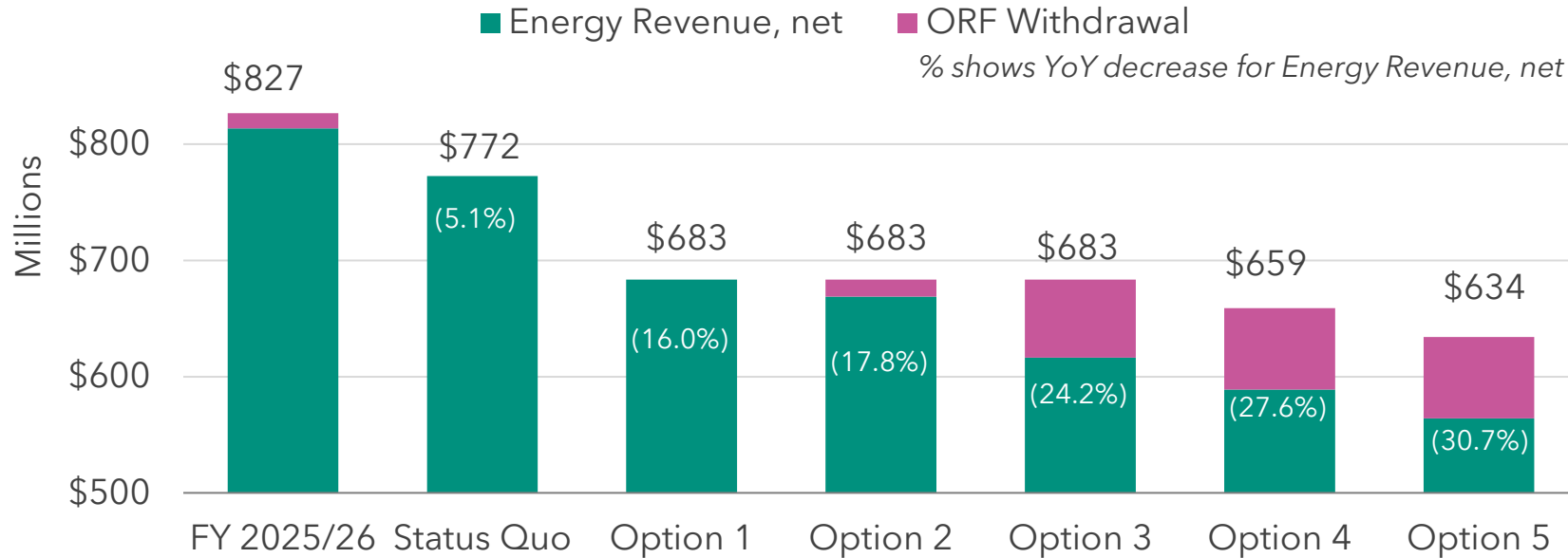
- Based on Residential E-TOU-C and MCE's 2017 PCIA vintage
- Future PG&E generation rates are assumed to remain at 2026 levels, while PCIA values for 2027 and beyond rely on California electricity market projections

Context for FY 2026/27 Budget Setting

- The budget for FY 2026/27 will be shaped by the rate reduction option your Board selects
 - Option 1 - reduce rates by **1.73¢/kWh** or **12%**
 - Option 2 - reduce rates by **2¢/kWh** or **14%**
 - Option 3 - reduce rates by **3¢/kWh** or **21%**
 - Option 4 - reduce rates by **3.51¢/kWh** or **24%**
 - Option 5 - reduce rates by **4¢/kWh** or **27%**
- Options 2 and 3 would create a deficit, which could be covered by withdrawing from the Operating Reserve Fund (ORF)
- Options 4 and 5 would create a deficit **despite** ORF withdrawals and reductions in the cost of energy
- The ORF has **\$70 million** in deferred income
- Reserve and Liquidity goals are **met** across all options
- Numbers presented are preliminary estimates and subject to change

Energy Revenue

FY 2026/27 Proposed Energy Revenue

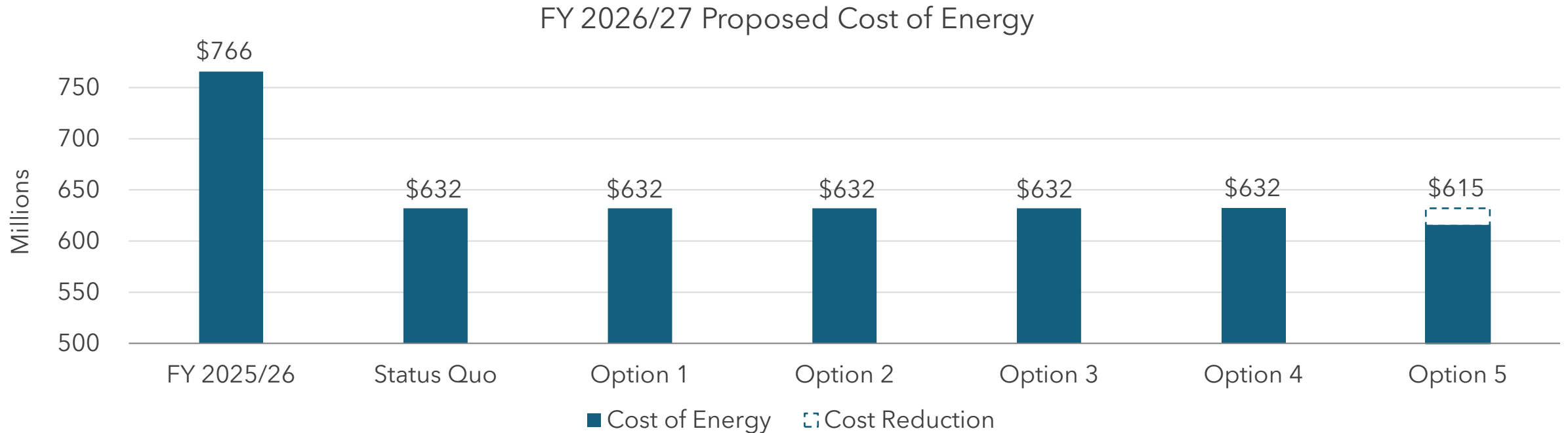


- Option 2 would require a \$14 ORF million withdrawal
- Option 3 would require a \$67 ORF million withdrawal
- Option 4 and 5 would require a \$70 million ORF withdrawal
 - This would bring the ORF balance to \$0

	Energy Revenue, net	ORF Withdrawal	Total
FY 2025/26	\$ 813,689,500	\$ 13,000,000	\$ 826,689,500
Status Quo	772,440,000	-	772,440,000
Option 1	683,373,000	-	683,373,000
Option 2	668,919,000	14,454,000	683,373,000
Option 3	616,464,000	66,909,000	683,373,000
Option 4	588,957,000	70,000,000	658,957,000
Option 5	564,009,000	70,000,000	634,009,000

- Load forecasts have been adjusted downward to align with the mild summer weather observed over the last two years
- Figures are shown net of uncollectibles

Cost of Energy



Cost of Energy	FY 2025/26 Approved	FY 2026/27 Proposed	Variance \$	Variance %
Status Quo	\$ 765,542,000	\$ 631,944,000	\$ (133,598,000)	(17.5%)
Option 1	765,542,000	631,944,000	(133,598,000)	(17.5%)
Option 2	765,542,000	631,944,000	(133,598,000)	(17.5%)
Option 3	765,542,000	631,944,000	(133,598,000)	(17.5%)
Option 4	765,542,000	631,944,000	(133,598,000)	(17.5%)
Option 5	765,542,000	614,944,000	(150,598,000)	(19.7%)

- Options 1 through 4 would preserve the status quo
- Option 5 would require a reduction of \$17 million
- YoY decrease driven by lower forward prices for renewable energy, resource adequacy, and hedge contracts

Operating Expenses

FY 2025/26	FY 2026/27		
Approved	Proposed	Variance \$	Variance %
<hr/>			
\$ 50,249,000	\$ 55,586,000	\$ 5,337,000	10.6%

Data Management:

- Increased billing activity after City of Hercules enrollment

Technical & Scheduling Consultants:

- Transition to new scheduling services provider
- Temporary vendor overlap + one-time transition costs

PG&E Service Fees:

- Per-account charge rising from \$0.35 → \$0.42
- FY 2026/27 reflects first full year at new rate

General & Administrative:

- Higher software and data platform costs
- Recruitment budget aligned with actual spending

Personnel:

- Full year impact of vacant positions that were filled late in the current fiscal
- Full year impact of the cost of living and health benefit adjustments made in this fiscal year
- New positions are also needed to balance the increased workload being experienced by staff

Non-operating Revenue, Net

FY 2025/26 Approved	FY 2026/27 Proposed	Variance \$	Variance %
\$ 14,775,000	\$ 13,457,000	\$ (1,318,000)	(8.9%)

- Non-operating revenues, net = non-operating revenues **minus** non-operating expenses
- Non-operating revenues come from interest and investment earnings on MCE's cash and fixed-income portfolio
- Budget assumes a conservative **2.5%** annual yield on MCE's holdings
- Non-operating expenses consist primarily of bank fees tied to MCE's credit facility

Program Expenses

FY 2025/26 Approved	FY 2026/27 Proposed	Variance \$	Variance %
\$ 9,181,000	\$ 9,300,000	\$ 119,000	1.3%

Program Development Fund

Proposed budget: **\$6.9 million**

- Most of the budget would be allocated towards EV related programs (incentives for charging stations and purchases for income qualified customers)

Resiliency Virtual Power Plant (VPP) Fund

Proposed budget: **\$2.4 million**

- Would support MCE's energy storage program, VPP, and additional grant match commitments

Change in Net Position

	Status Quo	Option 1	Option 2	Option 3	Option 4	Option 5
Energy Revenue, Net	\$ 772,440,000	\$ 683,373,000	\$ 668,919,000	\$616,464,000	\$588,957,000	\$564,009,000
ORF Withdrawal	0	0	14,454,000	66,909,000	70,000,000	70,000,000
Cost of Energy	(631,944,000)	(631,944,000)	(631,944,000)	(631,944,000)	(631,944,000)	(614,944,000)
Operating Expenses	(55,586,000)	(55,586,000)	(55,586,000)	(55,586,000)	(55,586,000)	(55,586,000)
Non-Operating Revenues, Net	13,457,000	13,457,000	13,457,000	13,457,000	13,457,000	13,457,000
Program Expenses	(9,300,000)	(9,300,000)	(9,300,000)	(9,300,000)	(9,300,000)	(9,300,000)
Consolidated Change in Net Position	89,067,000	0	0	0	(24,416,000)	(32,364,000)

Assumptions:

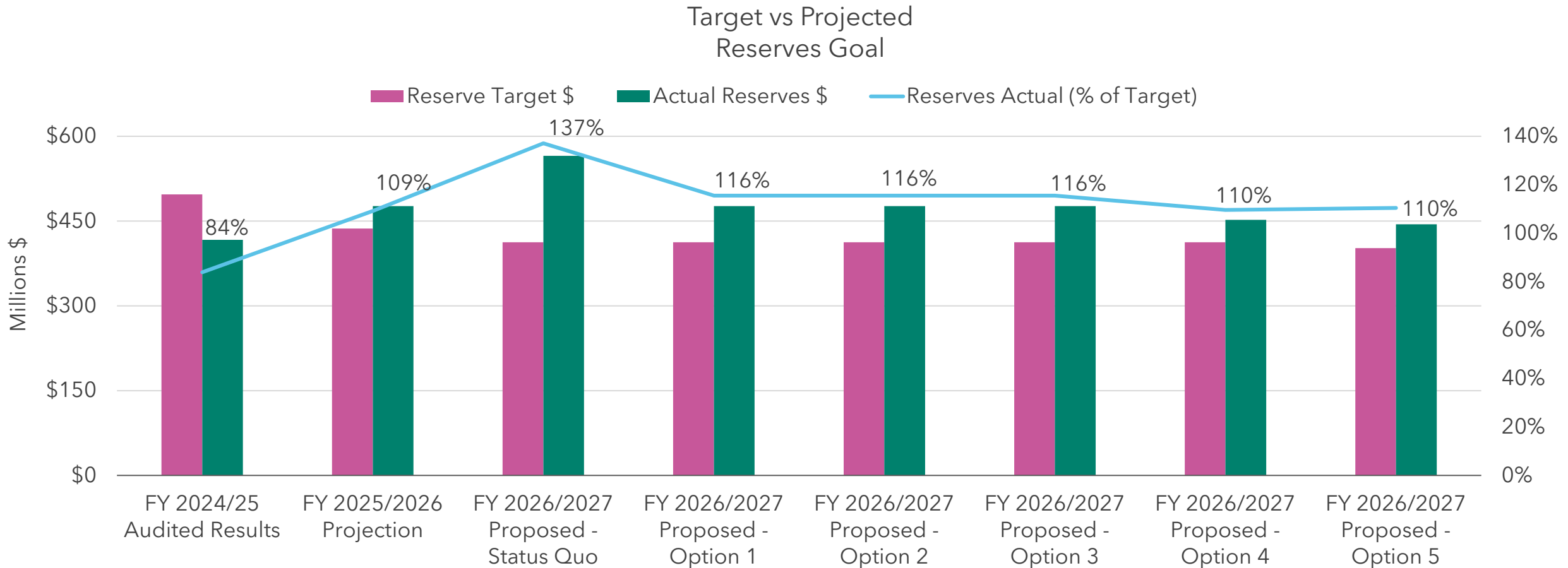
ORF Withdrawals	0	0	14,454,000	66,909,000	70,000,000	70,000,000
Cost of Energy Reduction	0	0	0	0	0	17,000,000

The agency has sufficient cash to run the operations and no external funding sources would be required, even under options 4 and 5.



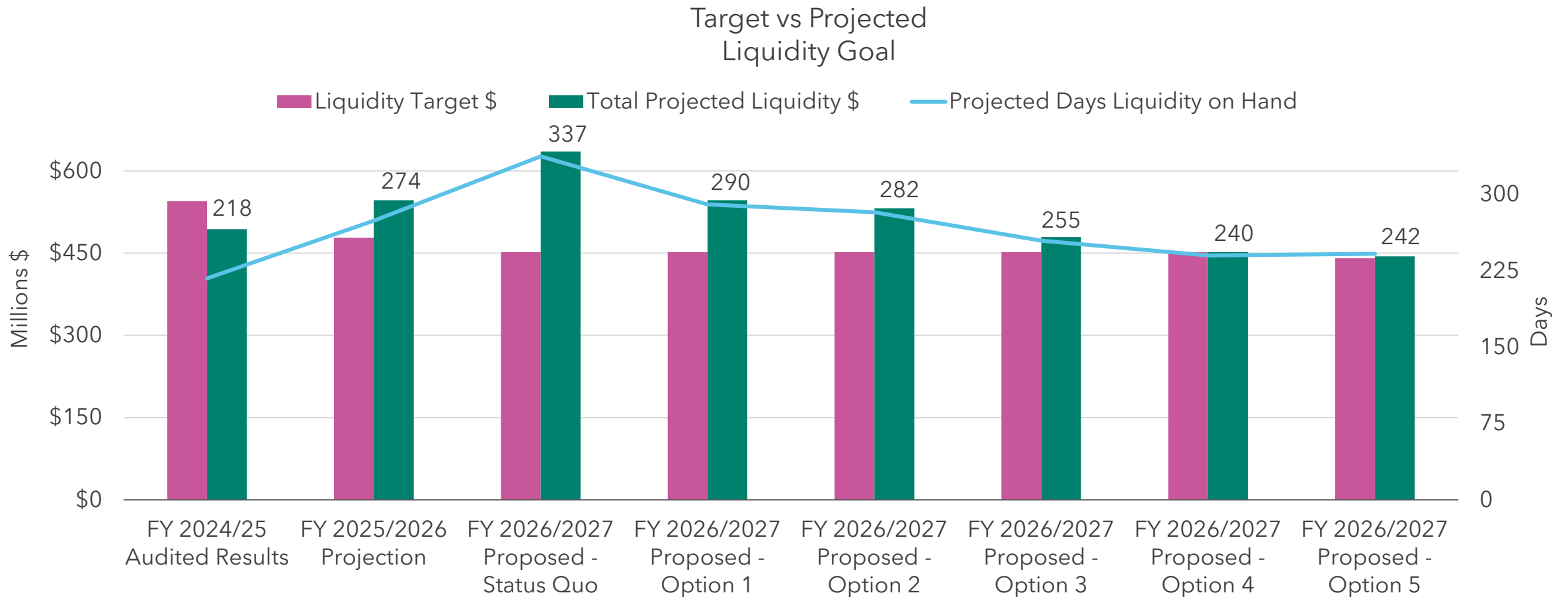
**Progress towards
Reserves and
Liquidity Goals**

Reserves



- Reserves target is **met** across all options.
- Numbers are inclusive of cost of energy reductions and withdrawals from the ORF

Liquidity



- Liquidity target is **met** across all options.
- Numbers are inclusive of cost of energy reductions and withdrawals from the ORF



Thank you!



mceCleanEnergy.org
info@mceCleanEnergy.org



MCE Q2 FY 2025/26 Treasurer's Report and Treasurer's Monthly Investment Report for December 2025

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January 14th, 2025

TO: MCE Board of Directors

FROM: Maira Strauss, Chief Financial Officer & Treasurer
Vicken Kasarjian, Chief Operating Officer & Deputy Treasurer

RE: MCE Q2 FY 2025/26 Treasurer's Report and
Treasurer's Monthly Investment Report for December 2025

Attachments: Attachment A: Q2 FY 2025/26 Financial Statements
Attachment B: Financial Results Highlights and Customer Statistics
Attachment C: Budgetary Comparison Schedules
Attachment D: Statement of Investments held at USBank
Attachment E: Statement of Transactions at USBank
Attachment F: Fixed Income Portfolio at USBank Summary
Attachment G: Statement of Investments held at River City Bank
Attachment H: Statement of Transactions at River City Bank

Dear Board Members:

This memorandum is to verify and report in writing to the Board the responsibilities designated to the MCE Treasurer pursuant to Government Code Section 6505.5. The Treasurer of MCE is required to report to the Board the interim financials on a quarterly basis in January, April, July and October of each fiscal year. MCE's Fiscal Year ends March 31.

Attachment A shows financial statements including a Statement of Net Position, a Statement of Revenues, Expenses and Changes in Net Position, and a Statement of Cash Flows. Results for April 2025 through September 2025 (Q1-Q2) are shown. Attachment B provides a series of charts and tables on MCE's financial results and customer statistics. Attachment C shows budgetary comparison schedules for the Operating Fund, Energy Efficiency Fund, Program Development Fund and the Resiliency Virtual Power Plant Fund. In addition to the quarterly results shown, there is a monthly Treasurer's Report that shows investing activity in the previous month. Purchases, sales, maturities and yields are shown for all of MCE's securities.

Monthly obligation to report new investment transactions:

Government Code Section 53607 and MCE's Investment Policy require MCE to report in writing to the Board any investment transactions (defined as purchases, sales or exchanges of securities) made

during the prior month. MCE currently maintains bank accounts and investments at River City Bank, USBank, and JP Morgan Chase.

USBank: In October of 2022 your Board approved amendments to MCE Policy 014: Investment Policy, as recommended by MCE's investment advisor, Chandler Asset Management (CAM). Currently, CAM manages over \$202 million of MCE's reserves. All investments directed by CAM are held at MCE's custodian, USBank. Attachment D shows a Statement of Investments held at USBank that reports on holdings as of December 31st, 2025. Attachment E shows a Statement of Transactions at USBank and shows that two securities were sold (totaling \$2.1 million) and three were bought (totaling 5.8 million) in December. Attachment F shows a summary of the Fixed Income Portfolio at USBank.

River City Bank: Attachment G shows a Statement of Investments held at River City Bank for the month ending December 31st, 2025. Attachment H shows a Statement of Transactions at River City Bank for September. No new CDARs were purchased but two reached maturity, totaling \$11 million.

A summary of MCE's holdings and cash balances and their associated average yield is shown in the table below. Overall, MCE's holdings, cash balances, and collateral at the CAISO had an average yield of 4.28% at the end of December 2025.

MCE Holdings	12/31/2025	Allocation	Average Yield
Fixed Income Portfolio Market Value	\$ 202,346,000	43%	4.45%
CDARs	66,500,000	14%	4.47%
Cash Balances	183,826,000	39%	4.09%
Collateral at CAISO	22,372,000	5%	3.66%
Total	475,044,000	100%	4.28%

*Cash balances are held at JP Morgan Chase and River City Bank.

Staff will provide Statements of Investments as required throughout the year.

No Action Needed

This memorandum and associated attachments are to inform the Board pursuant to the requirements of MCE's Investment Policy 014 and Government Code Section 53607. There is no action requested of the Board at this time.



ACCOUNTANTS' COMPILATION REPORT

Management
Marin Clean Energy

Management is responsible for the accompanying financial statements of Marin Clean Energy (a California Joint Powers Authority), which comprise the statement of net position as of September 30, 2025, and the related statement of revenues, expenses, and changes in net position, and the statement of cash flows for the three months and six months then ended in accordance with accounting principles generally accepted in the United States of America. We have performed a compilation engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. We did not audit or review the accompanying statements nor were we required to perform any procedures to verify the accuracy or completeness of the information provided by management. Accordingly, we do not express an opinion, conclusion, nor provide any assurance on these financial statements.

Management has elected to omit substantially all of the note disclosures required by accounting principles generally accepted in the United States of America in these interim financial statements. Marin Clean Energy's annual audited financial statements include the note disclosures omitted from these interim statements. If the omitted disclosures were included in these financial statements, they might influence the user's conclusions about the Authority's financial position, results of operations, and cash flows. Accordingly, these financial statements are not designed for those who are not informed about such matters.

We are not independent with respect to the Authority because we performed certain accounting services that impaired our independence.

Maher Accountancy

San Rafael, CA
November 7, 2025

MARIN CLEAN ENERGY
STATEMENT OF NET POSITION
As of September 30, 2025

ASSETS

Current assets

Cash and cash equivalents - unrestricted	\$ 131,499,039
Cash equivalents - restricted for grant purposes	18,742,449
Cash equivalents - restricted for security reserve	2,578,111
Accounts receivable, net of allowance	88,464,885
Accrued revenue	43,342,525
Other receivables	4,035,096
Prepaid expenses	1,345,729
Investments	104,555,264
Deposits	27,251,473
Total current assets	<u>421,814,571</u>

Noncurrent assets

Cash and cash equivalents - restricted	15,000,000
Investments	179,223,553
Capital assets, net of depreciation and amortization	5,990,961
Deposits	144,675
Total noncurrent assets	<u>200,359,189</u>
Total assets	<u>622,173,760</u>

LIABILITIES

Current liabilities

Accrued cost of electricity	99,880,792
Accounts payable	4,025,048
Other accrued liabilities	8,329,672
User taxes and energy surcharges due to other governments	1,573,390
Security deposits - energy suppliers	1,236,570
Advances from grantors	18,742,449
Total current liabilities	<u>133,787,921</u>

DEFERRED INFLOWS OF RESOURCES

Operating Reserve Fund	<u>70,000,000</u>
------------------------	-------------------

NET POSITION

Net position

Net investment in capital assets	5,990,961
Restricted	17,578,111
Unrestricted	394,816,767
Total net position	<u><u>\$ 418,385,839</u></u>

MARIN CLEAN ENERGY
STATEMENT OF REVENUES, EXPENSES
AND CHANGES IN NET POSITION
Three Months and Year-To-Date Ended September 30, 2025

	Three Months	Year-to-Date
OPERATING REVENUES		
Electricity sales, net	\$ 233,413,844	\$ 403,571,006
Grant revenue	4,778,039	8,711,634
Other revenue	119,376	651,890
Total operating revenues	<u>238,311,259</u>	<u>412,934,530</u>
OPERATING EXPENSES		
Cost of electricity	206,023,333	392,110,104
Contract services	6,068,002	11,245,622
Staff compensation	6,639,870	13,048,216
Other operating expenses	3,384,627	7,144,907
Depreciation and amortization	49,169	95,141
Total operating expenses	<u>222,165,001</u>	<u>423,643,990</u>
Operating income (loss)	<u>16,146,258</u>	<u>(10,709,460)</u>
NONOPERATING REVENUES (EXPENSES)		
Investment income	5,554,180	12,232,247
Nonoperating revenues (expenses), net	<u>5,554,180</u>	<u>12,232,247</u>
CHANGE IN NET POSITION	21,700,438	1,522,787
Net position at beginning of period	396,685,401	416,863,052
Net position at end of period	<u>\$ 418,385,839</u>	<u>\$ 418,385,839</u>

MARIN CLEAN ENERGY
STATEMENT OF CASH FLOWS
Three Months and Year-To-Date Ended September 30, 2025

	<u>Three Months</u>	<u>Year-to-Date</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	\$ 209,709,575	\$ 374,305,207
Receipts from grantors	2,764,005	5,331,335
Receipts of security deposits	932,758	932,758
Other operating receipts	314,575	880,753
Payments to suppliers for electricity and collateral	(225,907,890)	(429,544,275)
Payments for other goods and services	(9,795,492)	(18,456,163)
Payments for deposits and collateral	(1,510,996)	(1,510,996)
Payments for staff compensation	(6,970,797)	(13,162,128)
Payments of taxes and surcharges to other governments	(3,398,810)	(6,287,238)
Net cash provided (used) by operating activities	<u>(33,863,072)</u>	<u>(87,510,747)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Payments to acquire capital assets	<u>(5,226,814)</u>	<u>(5,280,286)</u>
Net cash provided (used) by capital and related financing activities	<u>(5,226,814)</u>	<u>(5,280,286)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Investment income received	8,986,872	13,139,068
Proceeds from sales and maturities of investments	39,490,552	50,618,329
Purchase of investments	(15,022,691)	(29,772,754)
Net cash provided (used) by investing activities	<u>33,454,733</u>	<u>33,984,643</u>
Net change in cash and cash equivalents	(5,635,153)	(58,806,390)
Cash and cash equivalents at beginning of period	173,454,752	226,625,989
Cash and cash equivalents at end of period	<u>167,819,599</u>	<u>\$ 167,819,599</u>
Reconciliation to the Statement of Net Position		
Cash and cash equivalents - unrestricted	\$ 131,499,039	\$ 131,499,039
Cash equivalents - restricted for grant purposes	18,742,449	18,742,449
Cash equivalents - restricted for security reserve	17,578,111	17,578,111
Cash and cash equivalents	<u>\$ 167,819,599</u>	<u>\$ 167,819,599</u>
NONCASH INVESTING ACTIVITIES:		
Change in fair value of investments	(1,360,802)	\$ 625,996
Change in interest receivable	(2,071,890)	(1,532,817)

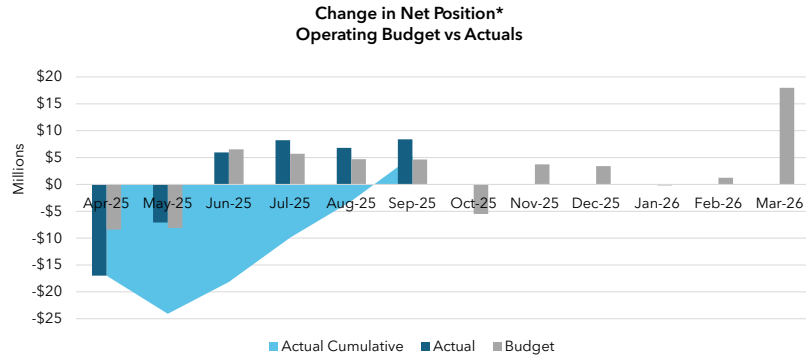
MARIN CLEAN ENERGY
STATEMENT OF CASH FLOWS (CONTINUED)
Three Months and Year-To-Date Ended September 30, 2025

**RECONCILIATION OF OPERATING INCOME TO NET
CASH PROVIDED (USED) BY OPERATING ACTIVITIES**

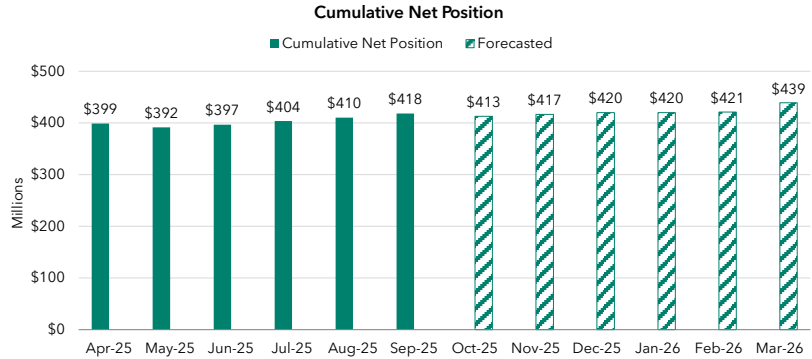
	<u>Three Months</u>	<u>Year-to-Date</u>
Operating income	\$ 16,146,258	\$ (10,709,460)
Adjustments to reconcile operating income to net cash provided (used) by operating activities		
Depreciation and amortization expense	49,169	95,141
(Increase) decrease in:		
Accounts receivable, net	(23,395,758)	(24,748,466)
Energy market settlements receivable	345,517	-
Accrued revenue	(4,012,891)	(11,095,583)
Other receivables	11,707,277	17,281,182
Prepaid expenses	2,014,016	1,026,855
Deposits	(962,646)	(958,008)
Increase (decrease) in:		
Accrued cost of electricity	(36,790,730)	(58,542,009)
Accounts payable	(187,162)	44,883
Other accrued liabilities	2,716,789	2,975,913
User taxes and energy surcharges due to other governments	305,570	291,012
Security deposits - energy suppliers	379,770	379,770
Advances from grantors	(2,178,251)	(3,551,977)
Net cash provided (used) by operating activities	<u>\$ (33,863,072)</u>	<u>\$ (87,510,747)</u>

MCE
Financial Results Highlights and Customer Statistics
Q1 through Q2 and December 2025

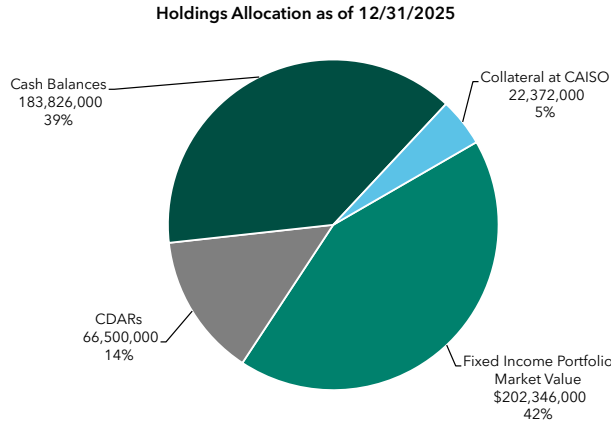
Change in Net Position, Cumulative Net Position, Holdings, and Progress to Days Cash on Hand



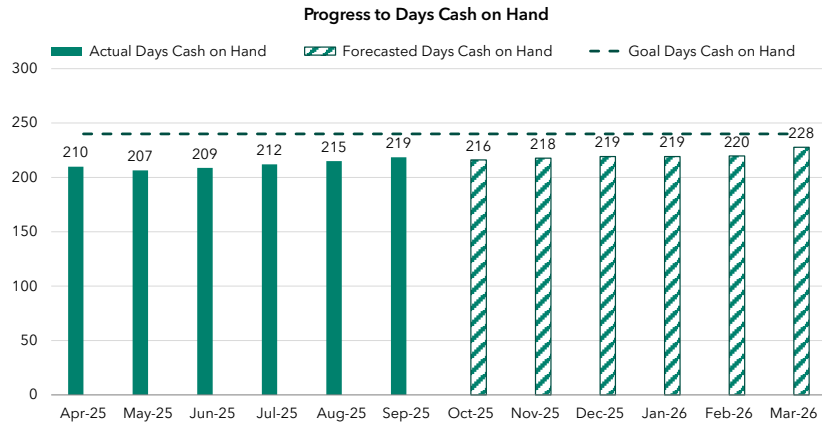
MCE's Operating Fund posted an \$8.4 million change in net position for September, bringing the fiscal year to date cumulative change in net position to \$5.3 million. *The Operating Fund Budget captures activities related to MCE's core functions including sales of electricity, cost of energy, operating expenses, non-operating revenues and expenses.



MCE's cumulative net position was \$418 million at the end of September and is forecasted to reach approximately \$439 million by March 2026. Actuals are based on the Statement of Net Position. Forecasted period uses Change in Net Position as projected in the Operating Fund Budget.



Interest earned on the deposits at River City Bank is pegged to the California Local Agency Investment Fund (LAIF) rate. MCE also holds a high yield checkings account at JP Morgan Chase. MCE's holdings totaled \$475 million. This number exceeds the net position reporting on the financial statements as it includes deferred revenue which is invested but not recognized as revenue per GASB 31.



Days cash on hand is a moving goal and varies with changes to cost of energy and total operating expenses. MCE's goal is to have 240 days of cash on hand. As of September 30th, MCE had 219 days cash on hand. The days cash on hand goal is based on 60% of annual cost of energy and operating expenses. Results shown are based on the ending cumulative net position plus deferred revenue minus transfers earmarked for program expenses.

MCE
Financial Results Highlights and Customer Statistics
Q1 through Q2 and December 2025

Operating Fund Budget Results and Variance

Marin Clean Energy Operating Fund Budgetary Comparison Schedule 6 Months Ended September 30th, 2025				
	Actual	Budget	Variance \$	Variance %
Revenue, Net	\$ 403,571,000	\$ 440,262,000	\$ (36,691,000)	-8%
Cost of Energy	(392,110,000)	(417,733,000)	25,623,000	-6%
Operating Expenses	(21,805,000)	(24,922,000)	3,117,000	-13%
Non-operating Revenues	16,014,000	9,139,000	6,875,000	75%
Non-operating Expenses	(410,000)	(1,752,000)	1,342,000	-77%
Change in Net Position	5,260,000	4,994,000	266,000	5.3%

Revenue, Net Energy - \$403.5 million

Net energy revenue through Q2 was \$36.7 million (8%) under budget, due to lower than anticipated sales volume largely caused by unusually mild summer weather. Forecasted sales volume tied to air conditioning usage did not materialize due to the cool summer temperatures observed in MCE's service area.

Cost of Energy - \$392.1 million

Cost of energy was \$25.6 million (6%) under budget. This is due to a combination of lower sales volume and decreases in market energy prices. Additionally, a significant portion of the accelerated renewable energy deliveries recorded in the prior fiscal year reduced the costs originally budgeted for this fiscal year. *Note: MCE signs power contracts ahead of time and has to pay for the contracted amounts, even if actual electricity demand ends up being lower. This limits MCE's ability to buy less power even when sales are lower.*

Operating Expenses - \$21.8 million

Total Operating Expenses were under budget by \$3.1 million or 13%. This reflects a continued shift of work from outside consultants to internal staff, along with certain costs scheduled for later in the fiscal year. Operating expenses have historically trended below budget.

Non-Operating Revenues - \$16.0 million

Total non-operating revenues were \$6.8 million (75%) above expectations. The Finance department strategically allocates surplus working capital in high-yield money market accounts and carefully monitors MCE's fixed income portfolio. MCE's high yield securities, like U.S. treasury and corporate notes, have continued to appreciate in value as interest rates have fallen, generating strong investment income.

Non-Operating Expenses - \$410 thousand

Total non-operating expenses were under budget by \$1.3 million (77%), mainly due to how spending from the DAC-GT program is recorded. The program offers bill discounts to eligible customers, so its impact appears as reduced energy revenue, not as a non operating expenses. The discounts are reimbursed to MCE by grant income captured in non-operating revenues. Grant revenue can only be recognized when there is a corresponding eligible expense.

Change in Net Position - \$5.2 million

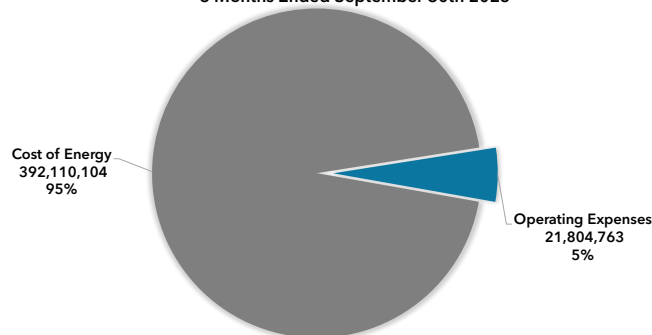
The change in net position was a gain of \$5.2 million, which is \$223 thousand (4.7%) greater than budgeted.

Note: For reconciliation purposes, Operating Fund budgetary numbers may differ from those in the Statement of Revenues, Expenses and Changes to Net Position as the statement captures activity across all the funds. Numbers shown here are net of any grant reimbursements.

Marin Clean Energy Operating Fund Budgetary Comparison Schedule 1 Month Ended September 30th, 2025				
	Actual	Budget	Variance \$	Variance %
Revenue, Net	\$ 73,894,000	\$ 82,327,000	\$ (8,433,000)	-10%
Cost of Energy	(65,011,000)	(74,875,000)	9,864,000	-13%
Operating Expenses	(3,700,000)	(4,054,000)	354,000	-9%
Non-operating Revenue	3,289,000	1,523,000	1,766,000	116%
Non-operating Expenses	(81,000)	(292,000)	211,000	-72%
Change in Net Position	8,391,000	4,629,000	3,762,000	81.3%

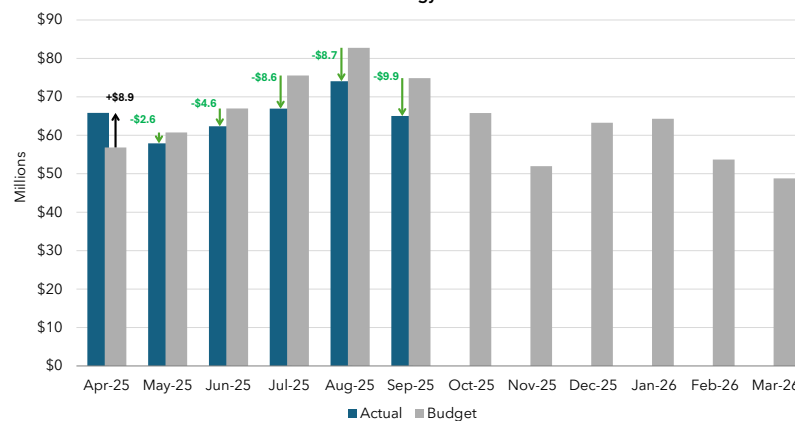
One month results for September 2025 are shown above. Sales volume remained lower than planned due to the weather effect previously described. As a result, electricity sales revenue was below budget by 10% while the cost of energy was under by 13%. Operating expenses were under budget by 9% while non-operating revenues were above expectations by 114% largely due to strong investment and interest income. A lower cost of energy coupled with strong non-operating revenue led to a change in net position of \$8.4 million which was \$3.7 million (80.6%) above expectations for the month.

**Cost of Energy and Operating Expenses
6 Months Ended September 30th 2025**



The cost of energy represents 95% of MCE's total expenditures. Operating expenses make up the remaining 5%. Non-operating expenses are excluded in the total.

Cost of Energy Actuals



As previously noted, MCE received renewable energy deliveries ahead of schedule. The final early quantities under this contract were delivered in April 2025, contributing to results that exceeded budget projections by \$8.9 million for that month. Note that a significant portion of the accelerated quantities were recorded in the prior fiscal year (\$36 million). These accelerated deliveries shifted costs into earlier periods, resulting in lower than anticipated energy costs in the months following April. In addition, unusually mild summer weather in MCE's service area, combined with lower market energy prices, has contributed to results trending below budget.

MCE
Financial Results Highlights and Customer Statistics
Q1 through Q2 and December 2025

Customer Statistics

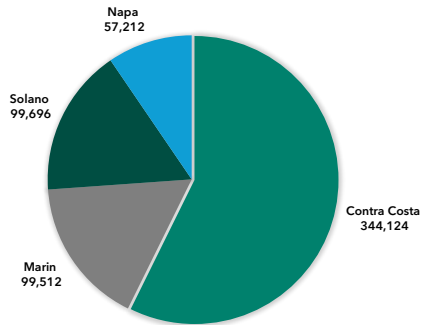
Numbers shown as of the end of September 2025 for both tables below.

County	Customer Class	Total Accounts	MCE Accounts	Opt-in Rate
Contra Costa	AGR	366	282	77%
Contra Costa	COM/IND	31,920	28,590	90%
Contra Costa	RES	354,621	314,482	89%
Contra Costa	ST GOV	776	769	99%
Marin	AGR	154	127	82%
Marin	COM/IND	14,292	11,941	84%
Marin	RES	106,807	87,195	82%
Marin	ST GOV	252	248	98%
Napa	AGR	1,494	1,345	90%
Napa	COM/IND	8,327	7,538	91%
Napa	RES	54,237	48,156	89%
Napa	ST GOV	174	173	99%
Solano	AGR	1,150	950	83%
Solano	COM/IND	11,145	9,926	89%
Solano	RES	102,977	88,493	86%
Solano	ST GOV	335	327	98%
Total		689,027	600,542	87%

County	Total Accounts	MCE Accounts	Opt-In Rate
Contra Costa	387,684	344,124	89%
Marin	121,506	99,512	82%
Solano	115,607	99,696	86%
Napa	64,232	57,212	89%
Total	689,029	600,544	87%

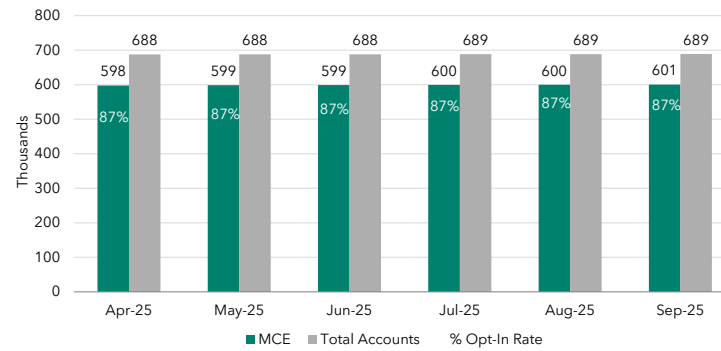
Key
 AGR = Agriculture
 COM/IND = Commercial / Industrial
 RES = Residential
 ST GOV = Street-Government

Number of MCE accounts by County



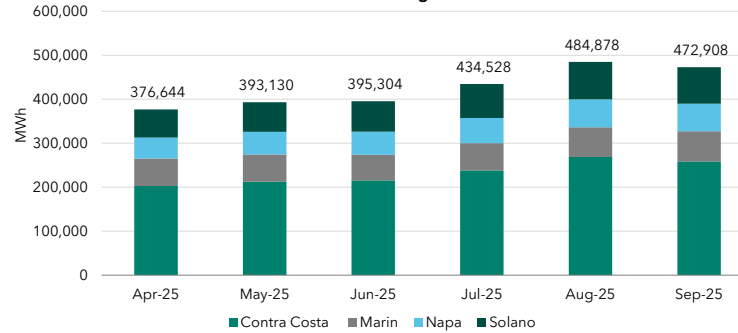
Contra Costa county holds the largest number of customer accounts followed by Solano, Marin, and Napa. Numbers are a snapshot at the end of September 2025.

MCE Accounts and Opt-in Rate



Opt-in rate = MCE accounts / All accounts in the service area. Numbers are snapshots at the end of each month shown. The Opt-in rate remains at 87%, reflecting strong and stable customer participation across MCE's service area.

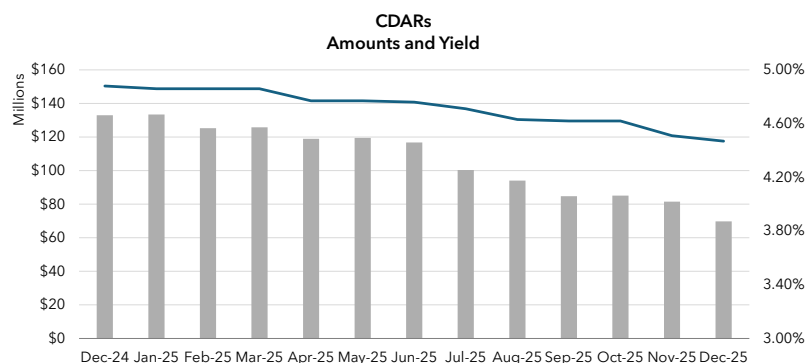
Net Usage



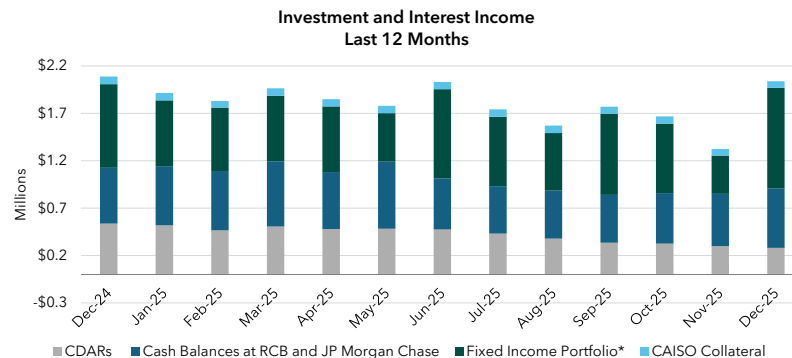
Net Usage (in MWh) = Delivered Volumes - Volumes returned to Grid

MCE
Financial Results Highlights and Customer Statistics
Q1 through Q2 and December 2025

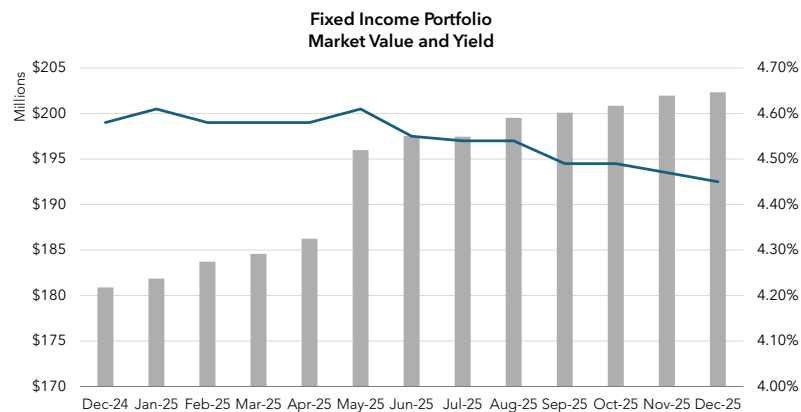
Supplemental Graphs on Investment and Interest Income



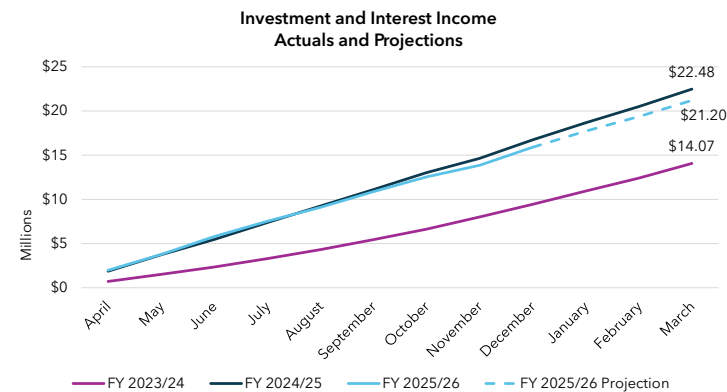
The market value and yield of MCE's CDARs are shown above. As of December 31st, 2025, CDARs had an average yield of 4.47% and a total balance of \$69,700,000 (includes par amount and accrued interest).



*Graph shows monthly earned income on the portfolio. For reconciliation purposes, the financial statements will show monthly changes in fair market value as required by GASB 31.



The amount and purchase yield of the fixed income portfolio is shown above. As of December 31st, 2025 the fixed income portfolio had a market value of over \$202 million and a purchase yield of 4.45%.



*Graph includes monthly earned income on the portfolio. For reconciliation purposes, the financial statements will show monthly changes in fair market value as required by GASB 31.



MCE Operating Fund
Approved Budget Comparison Fiscal Year 2025/26
From April 1, 2025 through September 30, 2025

	April - September Budget	April - September Actuals	Variance \$	Variance %
ENERGY REVENUE				
REVENUE - ELECTRICITY NET	\$ 440,262,000	\$ 403,571,000	(36,691,000)	-8.3%
ENERGY EXPENSES	-			
Cost of Energy	417,733,000	392,110,000	(25,623,000)	-6.1%
NET ENERGY REVENUE	22,529,000	11,461,000	(11,068,000)	-49%
OPERATING EXPENSES				
Personnel	12,494,000	11,512,000	(982,000)	-7.9%
Data Manager	2,638,000	2,699,000	61,000	2.3%
Technical and Scheduling Consultants	700,000	514,000	(186,000)	-26.6%
Service Fees - PG&E	1,369,000	1,298,000	(71,000)	-5.2%
Legal and Policy Services	767,000	585,000	(182,000)	-23.7%
Communication Services	1,112,000	1,009,000	(103,000)	-9.3%
Other Professional Services	2,377,000	1,919,000	(458,000)	-19.3%
General and Administrative	2,488,000	2,105,000	(383,000)	-15.4%
Occupancy	227,000	164,000	(63,000)	-27.8%
Contingency	750,000	-	(750,000)	-100.0%
TOTAL OPERATING EXPENSES	24,922,000	21,805,000	(3,117,000)	-12.5%
OPERATING INCOME	(2,393,000)	(10,344,000)	(7,951,000)	332.3%
NONOPERATING REVENUES				
Grant Income	1,639,000	3,378,000	1,739,075	106.1%
Other Income	-	597,000	597,489	
Interest Income	7,500,000	12,039,000	4,538,623	60.5%
TOTAL NONOPERATING REVENUES	9,139,000	16,014,000	6,875,000	75.2%
NONOPERATING EXPENSES				
Banking Fees and Financing Costs	113,000	123,000	10,000	8.8%
Grant Expenses	1,639,000	287,000	(1,352,000)	-82.5%
TOTAL NONOPERATING EXPENSES	1,752,000	410,000	(1,342,000)	-76.6%
CHANGE IN NET POSITION	4,994,000	5,260,000	266,000	5.3%
Budgeted Net Position Beginning of Period	416,863,000	416,863,000	-	-
Change in Net Position	4,994,000	5,260,000	266,000	5.3%
BUDGETED NET POSITION END OF PERIOD	421,857,000	422,123,000	266,000	0.1%
CAPITAL EXPENDITURES, INTERFUND TRANSFERS & OTHER				
San Rafael Office Building Purchase	5,400,000	5,401,000	1,000	0.0%
Office Improvements and Retrofits	175,000	129,000	(46,000)	-26.3%
Transfer to Program Development Fund	2,392,000	2,392,000	-	0.0%
TOTAL CAPITAL EXPENDITURES, INTERFUND TRANSFERS & OTHER	7,967,000	7,922,000	(45,000)	-0.6%
	-			
BUDGETED NET INCREASE IN OPERATING FUND BALANCE	\$ (2,973,000)	\$ (2,662,000)	311,000	-10.5%



MCE
Resiliency VPP Fund
Approved Budget Comparison Fiscal Year 2025/26
From April 1, 2025 through September 30, 2025

	April - Sept Budget	April - Sept Actual	Variance \$	Variance %
Revenue And Other Sources				
CEC VPP Flex Grant	\$ 600,000	\$ -	\$ (600,000)	-100%
Federal Earmark Funding	100,000	-	(100,000)	-100%
Marin Community Foundation Grant	36,000	170,000	134,000	372%
Total Revenue and Other Sources	736,000	170,000	(566,000)	-77%
Expenditures And Other Uses				
CEC VPP Flex Grant Expenses	600,000	45,000	(555,000)	-93%
Energy Storage Program	153,000	47,000	(106,000)	-69%
CEC VPP Flex Grant Match	500,000	51,000	(449,000)	-90%
MCE Sync	476,000	345,000	(131,000)	-28%
PeakFLEX	50,000	-	(50,000)	-100%
Federal Earmark- Energy Storage	100,000	-	(100,000)	-100%
MCE Resiliency at Critical Facilities	36,000	170,000	134,000	372%
Federal Earmark Match Expense	100,000	35,000	(65,000)	-65%
San Rafael Office Resiliency Buildout	100,000	-	(100,000)	-100%
Richmond VPP Pilot	85,500	12,000	(73,500)	-86%
Total Expenditures And Other Uses	2,200,500	705,000	(1,495,500)	-68%
Net Increase (Decrease) in Fund Balance	(1,464,500)	(535,000)	-	-
Fund Balance at Beginning of Period	3,878,000	3,878,000	-	-
Fund Balance at End of Period	2,413,500	3,343,000	-	-



MCE
Energy Efficiency Fund
Approved Budget Comparison Fiscal Year 2025/26
From April 1, 2025 through September 30, 2025

	April - Sept Budget	April - Sept Actual	Variance \$	Variance %
Revenue And Other Sources				
Public Purpose Energy Efficiency Program	\$ 9,380,500	\$ 4,999,000	\$ (4,381,500)	-47%
Public Purpose Low Income Families and Tenants Pilot Program	400,000	374,000	(26,000)	-7%
Total Revenue And Other Sources	9,780,500	5,373,000	(4,407,500)	-45%
Expenditure And Other Uses				
Public Purpose Energy Efficiency Program	9,380,500	4,999,000	(4,381,500)	-47%
Public Purpose Low Income Families and Tenants Pilot Program	400,000	374,000	(26,000)	-7%
Total Expenditures And Other Uses	9,780,500	5,373,000	(4,407,500)	-45%
Balance	-	-	-	-



MCE
Program Development Fund
Approved Budget Comparison Fiscal Year 2025/26
From April 1, 2025 through September 30, 2025

	April - Sept Budget	April - Sept Actual	Variance \$	Variance %
Revenue And Other Sources				
Transfer from Operating Fund and Deep Green Premium	\$ 2,392,000	\$ 2,392,000	\$ -	0%
Marin Community Foundation Grant	130,000	18,000	(112,000)	-86%
Community Benefits Funds	50,000	54,000	4,000	8%
Total Revenue and Other Sources	2,572,000	2,464,000	(108,000)	-4%
Expenditures And Committed Funds				
Transportation Electrification Programs	2,655,000	2,965,000	310,000	12%
Heat Pump Water Heater Incentives	270,000	103,000	(167,000)	-62%
Emergency Water Heater Loaner Fund	71,000	6,000	(65,000)	-92%
Marin Community Foundation EV Charging at Aff	130,000	18,000	(112,000)	-86%
Community Housing Grants	130,000	54,000	(76,000)	-58%
Total Expenditures And Other Uses	3,256,000	3,146,000	(110,000)	-3%
Net Increase (Decrease) in Fund Balance	(684,000)	(682,000)	-	-
Fund Balance at Beginning of Period	3,760,000	3,738,000	-	-
Fund Balance at End of Period	3,076,000	3,056,000	-	-

Marin Clean Energy
Statement of Investments held at USBank
As of 12/31/2025

Issuer	Security Type	Purchase Date	Maturity Date	Par Value \$	Market Value \$	Purchase Price \$	Purchase Yield in %
Honda Auto Receivables Owner Trust	ABS	05/14/2024	11/15/2027	519,127.49	526,394.26	519,064.41	3.84
Hyundai Auto Receivables Trust	ABS	03/11/2024	11/15/2027	623,382.95	630,101.01	623,245.50	3.96
GM Financial Securitized Term	ABS	10/24/2023	06/16/2028	843,437.73	851,419.04	838,693.39	4.14
Honda Auto Receivables Owner Trust	ABS	08/22/2023	06/21/2028	521,347.18	524,906.48	516,072.61	3.97
GM Financial Securitized Term	ABS	02/23/2024	08/15/2028	828,976.92	835,710.56	824,767.28	4.00
Toyota Auto Receivables Owner Trust	ABS	11/07/2023	02/25/2028	346,998.76	351,674.99	346,961.35	4.10
BMW Vehicle Owner Trust	ABS	11/09/2023	05/15/2028	437,162.96	440,198.47	436,411.58	4.08
American Express Credit Master Trust	ABS	05/06/2025	04/20/2027	1,600,000.00	1,621,305.96	1,599,971.04	3.79
John Deere Owner Trust	ABS	04/17/2023	12/18/2028	270,167.34	272,011.96	272,921.79	4.01
Ford Credit Auto Owner Trust	ABS	11/19/2024	01/22/2029	1,070,000.00	1,083,961.24	1,069,965.65	3.89
Verizon Master Trust	ABS	02/29/2024	01/16/2029	1,500,000.00	1,502,371.42	1,483,242.19	5.16
American Express Credit Master Trust	ABS	04/16/2024	02/15/2029	1,235,000.00	1,261,215.89	1,234,746.83	3.75
Chase Issuance Trust	ABS	02/29/2024	11/15/2028	1,100,000.00	1,112,103.79	1,092,910.16	3.75
John Deere Owner Trust	ABS	03/25/2024	04/16/2029	500,000.00	505,483.72	499,765.63	3.98
Honda Auto Receivables Owner Trust	ABS	---	05/17/2027	708,691.99	717,542.13	710,925.62	4.09
Hyundai Auto Lease Securitization Tr	ABS	05/14/2024	11/20/2028	560,116.93	564,319.74	560,101.36	4.11
Toyota Lease Owner Trust	ABS	02/21/2024	01/18/2028	187,909.00	188,897.06	187,901.07	3.51
BMW Vehicle Owner Trust	ABS	06/04/2024	02/26/2029	689,929.26	696,821.88	689,824.46	3.98
Mercedes-Benz Auto Lease Trust	ABS	05/17/2024	08/15/2029	410,000.00	414,953.39	409,952.03	4.03
American Express Credit Master Trust	ABS	10/25/2023	04/15/2030	500,000.00	506,093.72	495,781.25	3.84
Bank of America Credit Card Trust	ABS	02/20/2024	09/15/2026	1,000,000.00	1,012,593.33	1,003,515.63	3.79
John Deere Owner Trust	ABS	12/18/2023	11/16/2026	329,233.00	332,972.61	333,682.78	4.03
Federal Home Loan Banks	Agency	10/24/2023	03/10/2028	3,000,000.00	3,063,077.83	2,969,070.00	3.60
Farm Credit System	Agency	08/21/2023	06/08/2028	2,500,000.00	2,556,525.00	2,478,850.00	3.59
Farm Credit System	Agency	06/02/2023	08/07/2028	2,000,000.00	2,022,205.39	1,996,034.00	3.50
Farm Credit System	Agency	08/17/2023	11/15/2027	1,000,000.00	1,034,306.00	989,510.00	3.55
Farm Credit System	Agency	11/09/2023	08/14/2026	2,000,000.00	2,051,575.44	1,992,580.00	3.51
Federal Home Loan Banks	Agency	03/22/2023	09/11/2026	1,500,000.00	1,552,171.50	1,529,865.00	3.50
FHLMC	Agency CMBS	---	11/25/2027	1,500,000.00	1,506,481.50	1,427,285.16	3.76
FHLMC	Agency CMBS	10/01/2024	09/25/2027	2,175,000.00	2,072,130.84	2,041,101.56	3.90
FHLMC	Agency CMBS	01/29/2025	07/25/2027	800,000.00	802,300.67	780,343.75	3.81
FHLMC	Agency CMBS	02/27/2024	12/25/2026	3,650,000.00	3,611,589.83	3,445,542.97	3.83
FHLMC	Agency CMBS	---	01/25/2028	1,500,000.00	1,490,302.00	1,448,730.47	3.75
FHLMC	Agency CMBS	---	05/25/2028	3,000,000.00	2,870,995.00	2,757,109.38	3.84
FHLMC	Agency CMBS	---	04/25/2028	910,317.35	908,533.28	876,869.67	3.72
FHLMC	Agency CMBS	03/30/2023	09/25/2028	1,000,000.00	993,474.50	955,625.00	3.74
FHLMC	Agency CMBS	11/14/2025	12/25/2027	1,700,000.00	1,523,922.50	1,518,910.16	4.04
FHLMC	Agency CMBS	04/13/2023	02/25/2029	1,000,000.00	993,742.67	964,531.20	3.69
FHLMC	Agency CMBS	10/30/2023	01/25/2029	1,500,000.00	1,507,997.50	1,411,113.28	3.76
FHLMC	Agency CMBS	10/31/2023	08/25/2029	1,500,000.00	1,493,170.50	1,397,167.97	3.75
FHLMC	Agency CMBS	12/16/2025	11/25/2028	1,400,000.00	1,271,501.47	1,272,796.88	3.97
FHLMC	Agency CMBS	04/11/2023	09/25/2030	971,136.93	963,304.55	935,174.52	3.74
FHLMC	Agency CMBS	---	11/30/2025	2,512,000.00	2,520,112.09	2,382,240.00	3.76
Cash	Cash	---	11/30/2025	0.00	0.00	0.00	0.00
Cash	Cash	---	09/15/2027	2,390.85	2,390.85	2,390.85	---
New York Life Insurance Company	Corporate	10/24/2023	04/15/2028	500,000.00	512,409.50	481,860.00	3.93
Royal Bank of Canada	Corporate	02/20/2024	03/09/2028	1,000,000.00	1,047,104.00	996,120.00	4.03
PepsiCo, Inc.	Corporate	02/07/2025	05/17/2028	1,000,000.00	1,041,211.00	994,710.00	3.99
Meta Platforms, Inc.	Corporate	---	05/30/2028	1,500,000.00	1,542,438.67	1,500,395.13	3.94
Amazon.com, Inc.	Corporate	12/11/2025	08/10/2028	2,000,000.00	2,011,518.89	2,002,620.00	4.07
Massachusetts Mutual Life Insurance	Corporate	05/28/2024	06/13/2028	500,000.00	516,944.36	498,975.00	4.21
Bank of America Corporation	Corporate	12/18/2023	06/12/2028	1,000,000.00	1,036,012.67	996,710.00	4.67
Mastercard Incorporated	Corporate	---	10/18/2028	1,350,000.00	1,401,179.40	1,348,072.20	3.78
Prcoa Global Funding I	Corporate	06/01/2023	07/25/2028	500,000.00	514,618.83	502,005.00	4.01
Metropolitan Life Global Funding I	Corporate	01/02/2025	07/22/2028	1,440,000.00	1,507,091.20	1,437,033.60	4.27
PACCAR Inc	Corporate	08/03/2023	01/17/2029	405,000.00	424,302.10	404,360.10	3.80
Toyota Motor Corporation	Corporate	01/06/2025	02/09/2029	1,550,000.00	1,632,638.25	1,546,683.00	4.14
Eli Lilly and Company	Corporate	05/16/2025	01/16/2029	1,000,000.00	1,046,620.28	1,011,760.00	4.00
Met Tower Global Funding	Corporate	05/28/2024	01/05/2029	500,000.00	522,307.92	499,395.00	4.16
Guardian Life Global Funding	Corporate	09/30/2025	02/01/2029	1,650,000.00	1,669,885.02	1,650,000.00	4.28
Bank of America Corporation	Corporate	02/12/2025	02/26/2029	1,000,000.00	1,010,265.00	958,580.00	4.40
State Street Corporation	Corporate	11/29/2024	01/29/2029	2,000,000.00	2,068,681.33	2,016,280.00	3.96
Guardian Life Global Funding	Corporate	09/23/2024	01/10/2029	1,220,000.00	1,232,646.42	1,220,000.00	4.20
Wells Fargo & Company	Corporate	09/26/2025	03/14/2029	2,000,000.00	2,022,408.89	1,990,760.00	4.24
New York Life Insurance Company	Corporate	02/29/2024	04/12/2029	750,000.00	777,630.33	740,580.00	4.10
Blackrock, Inc.	Corporate	03/05/2024	05/30/2029	1,740,000.00	1,802,973.11	1,736,850.60	3.95
Merck & Co., Inc.	Corporate	06/01/2023	07/17/2029	1,000,000.00	1,012,155.00	997,360.00	3.73
Morgan Stanley	Corporate	01/13/2025	08/15/2029	1,350,000.00	1,417,873.39	1,339,537.50	4.45
Prcoa Global Funding I	Corporate	08/19/2025	08/16/2029	1,500,000.00	1,532,916.50	1,519,215.00	4.26
Cisco Systems, Inc.	Corporate	---	07/23/2029	1,500,000.00	1,564,878.42	1,501,104.25	3.95
Toyota Motor Corporation	Corporate	02/20/2024	09/26/2029	1,000,000.00	1,040,916.33	992,770.00	4.00
Walmart Inc.	Corporate	---	11/15/2029	1,250,000.00	1,266,882.92	1,239,252.50	3.66
Northwestern Mutual Global Funding	Corporate	10/24/2023	11/23/2029	750,000.00	768,565.58	722,362.50	3.94
Morgan Stanley	Corporate	10/27/2023	01/09/2030	1,000,000.00	1,051,582.89	1,002,120.00	4.69
PACCAR Inc	Corporate	05/05/2025	01/10/2030	2,160,000.00	2,214,362.04	2,156,652.00	4.08
Eli Lilly and Company	Corporate	02/07/2024	01/09/2030	935,000.00	969,229.42	934,382.90	3.85
Caterpillar Inc.	Corporate	11/22/2024	01/16/2030	1,000,000.00	1,031,982.56	999,600.00	3.97
Meta Platforms, Inc.	Corporate	11/12/2025	02/07/2030	1,250,000.00	1,261,099.58	1,255,000.00	4.15
Deere & Company	Corporate	11/04/2025	02/07/2030	2,000,000.00	2,039,540.22	2,013,840.00	4.13
Massachusetts Mutual Life Insurance	Corporate	01/03/2025	02/28/2028	1,050,000.00	1,099,625.63	1,049,496.00	4.30
CME Group Inc.	Corporate	09/12/2025	05/08/2030	2,000,000.00	2,054,679.11	2,032,560.00	4.02
JPMorgan Chase & Co.	Corporate	10/27/2023	02/12/2030	1,000,000.00	1,033,877.00	958,670.00	4.64
JPMorgan Chase & Co.	Corporate	09/12/2024	05/28/2030	1,000,000.00	1,021,689.50	995,730.00	4.37
Caterpillar Inc.	Corporate	08/16/2024	03/15/2030	1,500,000.00	1,545,183.38	1,502,595.00	3.96
Northwestern Mutual Global Funding	Corporate	02/29/2024	09/15/2029	750,000.00	780,022.13	740,122.50	4.08
Deere & Company	Corporate	02/20/2024	10/06/2030	500,000.00	518,298.50	495,830.00	3.94
Northern Trust Corporation	Corporate	11/12/2025	10/15/2030	1,800,000.00	1,810,664.40	1,799,118.00	4.12
Massachusetts Mutual Life Insurance	Corporate	01/09/2024	11/19/2030	780,000.00	813,142.55	779,898.60	4.13

PepsiCo, Inc.	Corporate	07/15/2024	11/15/2030	1,140,000.00	1,185,686.64	1,138,233.00	3.90
First American Govt Oblig Fund	Money Market Fund	---	11/30/2025	826,324.59	826,324.59	826,324.59	3.40
State of California	Municipal Bonds	10/30/2024	08/01/2029	1,755,000.00	1,831,254.75	1,764,248.85	3.76
International Bank for Recon and Dev	Supranational	08/25/2023	07/12/2028	2,500,000.00	2,535,663.89	2,385,525.00	3.59
Inter-American Development Bank	Supranational	02/20/2024	02/15/2029	2,500,000.00	2,575,423.33	2,474,725.00	3.63
International Bank for Recon and Dev	Supranational	12/12/2024	10/16/2029	1,750,000.00	1,776,369.00	1,721,510.00	3.68
International Bank for Recon and Dev	Supranational	03/14/2025	03/20/2030	2,000,000.00	2,052,907.83	1,993,200.00	3.74
United States	US Treasury	---	06/30/2027	4,000,000.00	4,035,047.96	3,987,734.37	3.71
United States	US Treasury	---	10/31/2027	1,500,000.00	1,511,352.07	1,520,419.92	3.48
United States	US Treasury	06/01/2023	03/31/2027	2,000,000.00	2,009,954.98	1,979,843.75	3.53
United States	US Treasury	08/21/2025	12/31/2027	2,500,000.00	2,558,997.58	2,502,734.38	3.70
United States	US Treasury	11/09/2023	05/31/2028	1,500,000.00	1,522,409.75	1,496,308.59	3.57
United States	US Treasury	12/16/2024	07/31/2028	2,000,000.00	2,041,784.75	1,988,515.63	3.65
United States	US Treasury	05/08/2025	08/31/2028	3,000,000.00	3,043,349.22	2,983,593.75	3.68
United States	US Treasury	08/21/2023	10/31/2028	2,500,000.00	2,580,460.57	2,463,964.84	3.51
United States	US Treasury	02/27/2024	01/31/2029	3,000,000.00	3,066,431.53	2,971,171.88	3.52
United States	US Treasury	06/01/2023	02/15/2027	2,000,000.00	2,011,607.63	1,993,046.88	3.51
United States	US Treasury	10/04/2024	03/31/2029	2,000,000.00	2,008,588.62	1,976,250.00	3.63
United States	US Treasury	---	04/30/2029	1,000,000.00	995,879.13	933,953.13	3.60
United States	US Treasury	04/04/2025	05/31/2029	2,000,000.00	2,014,773.35	2,000,078.13	3.67
United States	US Treasury	---	06/30/2029	5,000,000.00	5,081,252.42	4,998,007.81	3.68
United States	US Treasury	09/25/2023	08/31/2029	400,000.00	414,399.33	395,781.25	3.53
United States	US Treasury	11/05/2025	09/30/2029	1,500,000.00	1,502,984.35	1,490,566.41	3.72
United States	US Treasury	---	10/31/2029	4,400,000.00	4,543,906.59	4,442,750.00	3.60
United States	US Treasury	07/18/2024	12/15/2025	1,500,000.00	1,531,875.61	1,510,605.47	3.60
United States	US Treasury	07/09/2025	11/30/2029	3,000,000.00	3,022,938.13	2,989,687.50	3.69
United States	US Treasury	---	01/15/2026	3,000,000.00	3,053,825.45	2,974,648.44	3.69
United States	US Treasury	---	02/15/2026	1,000,000.00	989,383.69	923,117.19	3.56
United States	US Treasury	11/19/2024	03/31/2030	3,000,000.00	3,072,521.75	2,985,234.38	3.64
United States	US Treasury	10/26/2023	04/15/2026	3,000,000.00	3,131,338.34	3,002,929.69	3.54
United States	US Treasury	06/14/2023	04/30/2030	2,000,000.00	2,017,015.43	1,963,984.38	3.55
United States	US Treasury	05/03/2024	05/15/2026	2,500,000.00	2,600,565.68	2,515,966.80	3.58
United States	US Treasury	04/29/2024	05/31/2030	1,000,000.00	1,027,102.15	976,367.19	3.58
United States	US Treasury	02/16/2024	05/31/2026	2,000,000.00	2,058,946.26	1,972,500.00	3.56
United States	US Treasury	---	06/30/2030	1,000,000.00	1,018,158.92	1,005,632.81	3.49
United States	US Treasury	---	07/31/2030	3,000,000.00	2,982,013.09	2,851,679.68	3.53
United States	US Treasury	12/03/2025	08/31/2030	2,500,000.00	2,482,497.31	2,485,644.53	3.73
United States	US Treasury	---	10/15/2026	1,000,000.00	996,652.78	968,453.13	3.49
United States	US Treasury	02/26/2024	10/31/2030	3,000,000.00	3,046,199.09	2,960,156.25	3.70
United States	US Treasury	---	11/15/2026	6,500,000.00	6,579,046.43	6,539,550.78	3.63
United States	US Treasury	10/30/2023	11/15/2026	3,000,000.00	3,053,903.14	2,978,789.06	3.57
				199,353,651.23	202,345,710.83	196,917,666.26	3.80

Marin Clean Energy
Statement of Transactions at USBank
For December 2025

Transaction Type	Settlement Date	Security Description	Acq/Disp Yield	Amount	Purchased/ Sold Interest	Total Amount	Net Realized Gain/Loss
Buy	12/11/2025	AMAZON.COM INC 4.1 11/20/2030	4.070	(2,002,620.00)	5,011.11	(2,007,631.11)	0.00
Buy	12/16/2025	FHMS K-109 A2 1.558 04/25/2030	3.894	(1,272,796.88)	1,090.60	(1,273,887.48)	0.00
Buy	12/03/2025	UNITED STATES TREASURY 3.5 11/30/2030	3.627	(2,485,644.53)	961.54	(2,486,606.07)	0.00
Buy Total				(5,761,061)	7,063	(5,768,125)	-
Sell	12/11/2025	NORTHWESTERN MUTUAL GLOBAL FUNDING 4.35 09/15/2027	4.744	705,040.00	(7,358.75)	712,398.75	9,356.41
Sell	12/11/2025	STATE STREET CORP 4.536 02/28/2028	4.511	1,369,183.50	(17,690.40)	1,386,873.90	19,183.50
Sell Total				2,074,224	(25,049)	2,099,273	28,540

Attachment F: Fixed Income Portfolio at USBank Summary

PORTFOLIO SUMMARY



Marin Clean Energy | Account #10993 | As of December 31, 2025

Portfolio Characteristics

Average Modified Duration	2.57
Average Coupon	4.10%
Average Purchase YTM	4.45%
Average Market YTM	3.80%
Average Credit Quality*	AA+
Average Final Maturity	3.01
Average Life	2.82

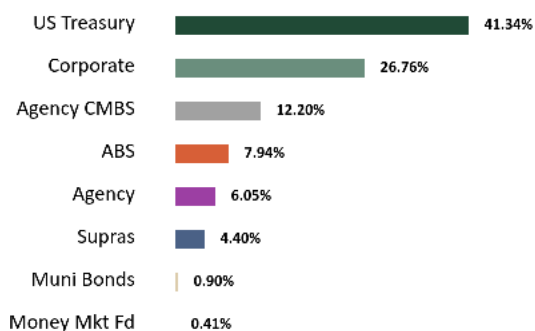
Account Summary

	End Values as of 11/30/2025	End Values as of 12/31/2025
Market Value	200,489,203.94	200,554,323.12
Accrued Interest	1,479,417.04	1,791,387.71
Total Market Value	201,968,620.97	202,345,710.83
Income Earned	402,955.03	1,058,284.60
Cont/WD	0.00	0.00
Par	198,817,184.78	199,353,651.22
Book Value	197,571,764.51	198,022,720.88
Cost Value	196,510,324.85	196,917,666.25

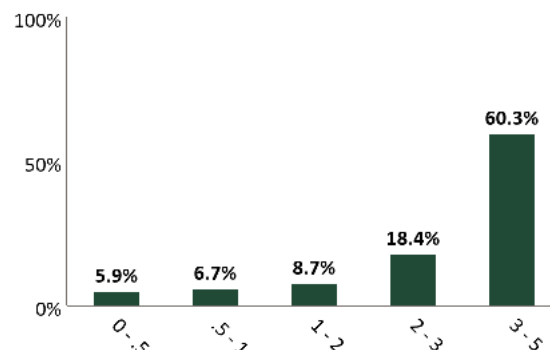
Top Issuers

United States	41.34%
FHLMC	12.20%
Farm Credit System	3.78%
International Bank for Recon and Dev	3.13%
Federal Home Loan Banks	2.27%
American Express Credit Master Trust	1.69%
Guardian Life Global Funding	1.43%
Meta Platforms, Inc.	1.38%

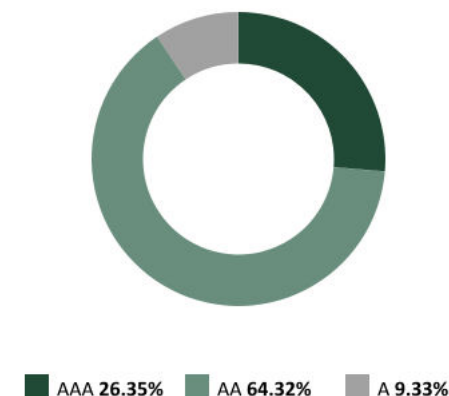
Sector Allocation



Maturity Distribution



Credit Quality*



Performance Review

Total Rate of Return**	1M	3M	YTD	1YR	2YRS	3YRS	5YRS	10YRS	Since Inception (01/01/23)
Marin Clean Energy	0.19%	1.13%	6.16%	6.16%	4.97%	4.94%	--	--	4.94%
Benchmark Return	0.19%	1.11%	5.73%	5.73%	4.57%	4.48%	--	--	4.48%

*The average credit quality is a weighted average calculation of the highest of S&P, Moody's and Fitch.

**Periods over 1 year are annualized.

Benchmark: ICE BofA 1-5 Year Unsubordinated US Treasury & Agency Index

Marin Clean Energy Statement of Investments held at River City Bank As of 12/31/2025							
Investment Description	Purchase Date	Maturity Date	Interest Rate	Purchase Price	Yield	Most Recent Price (MTM)	% Total Portfolio
River City Bank CDARS, 2 years	1/30/2025	1/29/2026	4.24%	1,000,000	4.33%	1,000,000	1.50%
River City Bank CDARS, 2 years	2/15/2024	2/12/2026	4.74%	1,000,000	4.85%	1,000,000	1.50%
River City Bank CDARS, 2 years	2/22/2024	2/19/2026	4.69%	4,000,000	4.80%	4,000,000	6.02%
River City Bank CDARS, 52 weeks	8/21/2025	2/19/2026	4.11%	5,000,000	4.21%	5,000,000	7.52%
River City Bank CDARS, 2 years	2/29/2024	2/26/2026	4.80%	2,000,000	4.92%	2,000,000	3.01%
River City Bank CDARS, 52 weeks	8/28/2025	2/26/2026	4.06%	5,000,000	4.14%	5,000,000	7.52%
River City Bank CDARS, 2 years	3/28/2024	3/26/2026	4.66%	2,000,000	4.77%	2,000,000	3.01%
River City Bank CDARS, 2 years	4/11/2024	4/9/2026	4.84%	1,500,000	4.96%	1,500,000	2.26%
River City Bank CDARS, 2 years	4/18/2024	4/16/2026	5.07%	4,000,000	5.20%	4,000,000	6.02%
River City Bank CDARS, 2 years	5/9/2024	5/7/2026	4.92%	5,000,000	5.04%	5,000,000	7.52%
River City Bank CDARS, 2 years	5/30/2024	5/28/2026	5.04%	4,000,000	5.17%	4,000,000	6.02%
River City Bank CDARS, 52 weeks	6/20/2024	6/19/2026	4.85%	4,000,000	4.97%	4,000,000	6.02%
River City Bank CDARS, 2 years	8/1/2024	7/30/2026	4.45%	4,000,000	4.55%	4,000,000	6.02%
River City Bank CDARS, 52 weeks	8/14/2025	8/13/2026	3.90%	5,000,000	3.98%	5,000,000	7.52%
River City Bank CDARS, 52 weeks	8/21/2025	8/20/2026	3.91%	5,000,000	3.99%	5,000,000	7.52%
River City Bank CDARS, 2 years	1/9/2025	1/7/2027	4.40%	4,000,000	4.50%	4,000,000	6.02%
River City Bank CDARS, 2 years	8/7/2025	8/5/2027	3.72%	5,000,000	3.79%	5,000,000	7.52%
River City Bank CDARS, 52 weeks	11/20/2025	11/19/2026	3.67%	5,000,000	3.76%	5,000,000	7.52%
Total				\$66,500,000		\$66,500,000	100%
Weighted Average Interest and Yield on All Investments			4.37%		4.47%		

Marin Clean Energy Statement of Transactions at River City Bank For December 2025									
Transaction Type	Investment Description	Effective Date	Maturity/Purchase Date	Principal	Interest Paid	Total Amount	Realized Gain	Realized Loss	Annualized Yield
Maturity	River City Bank CDARS, 2 years	12/14/2023	12/11/2025	6,000,000	\$ 606,727.44	\$ 6,606,727.44	\$ 606,727.44	-	4.95%
Maturity	River City Bank CDARS, 2 years	12/21/2023	12/18/2025	5,000,000	470,583.22	5,470,583.22	470,583.22	-	4.61%
Maturity Total				11,000,000.00	1,077,310.65	12,077,310.65	1,077,310.65		
Purchase Total	No CDARs were purchased in December 2025								



MCE Finance Committee Overview

Scope

The scope of the MCE Finance Committee is to explore, discuss, and provide input to the Board of Directors on general issues related to MCE's finances.

Finance Committee will:

- Receive, review, and discuss monthly investment reports from the Treasurer
- Receive, review, and discuss quarterly reports from the Treasurer
- Receive, review, and discuss annual Audit
- Evaluate rate proposals
- Consider budget-setting proposals
- Consider high-level risk analysis and forward-looking financial forecasts
- Regularly review contracts for financial vendors (investment advisors, auditors, banking)

The Finance Committee may also choose to make recommendations to the Board of Directors regarding:

- Rate setting proposals
- Annual budget and budget adjustments
- Entering into debt
- MCE Policies related to finance such as Policy 013: Reserve Policy and Policy 014: Investment Policy
- Financial controls
- Contracts for financial vendors

Committee Size and Member Selection Process

The Finance Committee will consist of 5-7 MCE Board representatives. MCE strives to assemble a Finance Committee comprised of at least one representative from each county in the MCE service area. Available seats on the Finance Committee are therefore first offered to any interested Board member whose county is not yet represented. The Board may evaluate skills and abilities relative to finance, budget, risk management, and investments. Interested members can be added at a meeting of the Board of Directors when it is included in the agenda. Any member interested in joining is required to be a representative on the Board for six (6) months prior to serving on the Finance Committee.

The Finance Committee selects its own chair for a term of one year. The Finance Committee Chair is limited to two one-year terms.

Meeting Schedule

Every other month, or as needed. Meetings may be held in-person at MCE's San Rafael and/or Concord offices. Participation via teleconferencing can be accommodated upon request if the address is provided to MCE's Board clerk a minimum of 10 days before the meeting (for public noticing purposes) and the location and committee members follow applicable requirements for public access.

Attachment B. Summary of CCA Finance Committee Scopes and 2025 Meeting Cadence

AGENCY	SCOPE
Ava Community Energy (Ava) <i>5 meetings in 2025</i>	<p>No official scope.</p> <p>Per their clerk: "The scope of the Finance, Administrative and Procurement subcommittee is defined by its name and the staff members (from our internal finance, administration and procurement teams) who participate in the meetings."</p>
Central Coast Community Energy (3CE) <i>3 meetings in 2025</i>	<p>The Boards' Audit and Finance Committee ("AF Committee") shall be a permanent standing committee. The AF Committee shall consist of up to five voting members made up of Directors from the Boards. <i>(Note: 3CE has two boards, one made up of elected officials and the other made up of City Managers.)</i> All members of the AF Committee shall be: (1) generally knowledgeable about governmental accounting and finance issues and (2) selected by the Chair of the Policy Board. The purpose of the AF Committee is primarily to provide financial oversight for the Authority. The AF Committee shall meet quarterly, and as needed. AF Committee members shall serve two, three-year terms. The AF Committee shall have the following duties:</p> <ul style="list-style-type: none"> a. Advise and work with the Authority's staff on budgeting, audits, financial planning/reporting, internal controls, accountability policies and investments. b. Review the proposed annual budget of the Authority prior to presentation to the Policy Board. c. Provide oversight of the preparation of the annual audit of the Authority's financial statements and review the completed audit reports for clarity, soundness and potential issues prior to the Policy Board's review. d. Recommend policies and procedures on financial matters to the Policy Board. e. Be available to review the proposed budget or any financial transactions that might require an in-depth review prior to the Policy Board's approval. f. Perform other duties as assigned by the Policy Board. g. Delegate any of these duties and responsibilities as it deems appropriate.

<p>Clean Power Alliance (CPA)</p> <p><i>6 meetings in 2025</i></p>	<p>The Standing Finance Committee's duties shall include but not be limited to reviewing and recommending to the Executive Director and Board:</p> <ul style="list-style-type: none"> a. Fiscal year budgets; b. Financial policies and procedures including a reserve and investment policy; and c. Other measures ensuring the sound financial management of CPA or as similarly directed by the Board. <p>The Finance Committee shall select an Independent Auditor who shall perform a financial audit of accounts of CPA on an annual basis. The Independent Auditor shall be accredited in the State of California and provide independent, accurate, and timely assessments of CPA's financial activities in compliance with generally accepted government auditing standards.</p> <p>The Finance Committee shall recommend to the Board an Internal Auditor. The Internal Auditor may assess compliance with CPA's financial policies and procedures; review CPA's internal processes or the adequacy of financial controls; make recommendations for improvement; and any similar duties as the Board may direct.</p>
<p>Peninsula Clean Energy (PCE)</p> <p><i>4 meetings in 2025</i></p>	<p>As a Standing Board Committee, the role of the Board Audit and Finance Committee is to consider and make recommendations on matters referred to it by the Board relating to PCE finance, budget, financial audits, and debt.</p> <p>The Audit and Finance Committee will consist of up to five members elected by the Board to serve one-year terms.</p>
<p>Pioneer Community Energy (Pioneer)</p> <p><i>3 meetings in 2025</i></p>	<ul style="list-style-type: none"> 1. The Committee shall annually retain or renew the appointment of an independent auditor to conduct the audit and any related management letter. 2. Review with the independent auditor the scope and planning of the audit prior to its commencement. 3. Upon completion of the audit, review and discuss the following with the independent auditor:

	<p>a. Any material risks and weaknesses in internal controls identified by the independent auditor</p> <p>b. Any restrictions placed on the independent auditor's scope of the activities or access to requested information</p> <p>c. The adequacy of the Agency's interim and annual accounting and financial reporting process</p> <p>d. Any recommendations made by the independent auditor</p> <p>4. Report to the Governing Board of the Committee's activities and recommend the results of audit findings for approval.</p> <p>Additional responsibilities include: Budgeting and Financial Reporting, Internal Controls and Accountability Policies, and Investments.</p>
<p>Redwood Coast Energy Authority (RCEA)</p> <p><i>2 meetings in 2025</i></p>	<p>The Finance Subcommittee will work with staff in an advisory capacity, and provide recommendations and advice to the Board of Directors, on matters relating to audit, finance and budget.</p>
<p>San Diego Community Power (SDCP)</p> <p><i>8 meetings in 2025</i></p>	<p>The Finance and Risk Management Committee (FRMC) is a standing committee of the Community Power Board whose purpose, as stated in section 5.10.2 of the SDCP's JPA Agreement, is to provide input and oversight on matters related to the agency's funding plan, its fiscal year budgets, financial policies and procedures, risk management policies and procedures, and other responsibilities as may be directed by the Board. The FRMC is composed of three members of the Board.</p>
<p>Silicon Valley Clean Energy (SVCE)</p>	<p>The purpose of the SVCE Finance & Administration Committee is to primarily provide financial oversight for SVCE. They work with SVCE staff on budgeting, financial planning/reporting,</p>

<i>4 meetings in 2025</i>	internal controls, accountability policies, and investments. The Finance & Administration Committee meets quarterly, and as needed.
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