

*Sent as an attachment to MCE Board of Directors on Monday, October 27, 2025.*

**The articles about MCE published in the Marin IJ starting Oct. 25, 2025, contain misinformation. Here are some factual corrections and clarifications for Parts 1 and 2.**

### **MCE's Track Record:**

- Fifteen years of reliable service and 100% fossil-free power.
- \$70 million in customer rate savings since inception in 2010.
- More than 1,000 MW of renewable energy built or contracted across California.
- Dozens of local community programs – from school battery storage to small-business EV charging.
- Stable rates despite statewide volatility in energy markets.
- Investment-grade credit rating and strong reserves to protect ratepayers.

### **Rates/Costs:**

- MCE has not had a general rate increase since January 1, 2023. However, there have been two small rate segments that have changed since that time:
  - For a small subset of approximately 3,000 large commercial customers, demand charges increased by 4.4% in early 2025 to align with actual cost of service.
  - The 1 cent premium that had been charged to Deep Green customers since 2010 was increased for the first time to 1.25 cents in mid-2025 to account for the increased cost of service, and to avoid having Light Green customers subsidize Deep Green customers.
- MCE's generation rates are and have always been less expensive than PG&E's.
- Compared to all CCAs, PG&E, SDG&E, and SCE, (27 other electricity providers state-wide), MCE's rates fall squarely in the middle, though our total costs are skewed higher due to PG&E fees and delivery charges.
- MCE's costs average 4% above the average of other service providers in California.
- MCE's total bill costs are currently higher than PG&E's by less than 1%, or \$1.50/month for the average residential customer, because of PG&E's added PCIA charge.
- MCE experiences some of the highest delivery charges and PCIA fees in the state, which are the major drivers of our total bill costs to customers.
- While PG&E's costs are currently less expensive than MCE's, PG&E is projecting rate increases in 2027, 2028, 2029 and 2030.
- PG&E has executed over 10 rate changes over the last 3 years while MCE has had three, two of which were to specific subsets of customers as described above.

## **Finance:**

- MCE takes financial transparency seriously and regularly provides financial, operational, and governance updates in public meetings and through monthly reports. The agency has consistently complied with all requests for financial information within the scope of board policy and state law. Regular monthly and quarterly financial reports are on our website:  
<https://mcecleanenergy.org/key- documents/>
- MCE produced a net gain of \$13 million in 2025, not a net loss.
  - Reference to a financial loss in the Marin IJ article is not accurate.
  - 2024 results were a gain of \$159 million.
  - 2023 results were a gain of \$41 million.
- MCE's Executive Committee has handled finance as a core function since MCE's formation.
- The Executive Committee voted 6-2 against recommending a separate "finance committee" to the board in 2024 with the majority of members noting a desire to keep visibility of intersecting finance topics. Management does not participate in votes but are required to adhere to the outcome of votes. A future board discussion on this topic is planned for November 2025.
- MCE's annual financial results undergo a professional third-party audit each year. These audited results have never been altered by management, and they are available for review at any time on MCE's website.
- Current comparisons to other CCAs' financial results for 2025 are premature, as other agencies audited fiscal year results have not yet been released. Unaudited results contain historical assumptions and data lags which yield unreliable results.
- MCE's 2025 positive financial results demonstrate strong fiscal oversight as there were significant market increases in renewable energy costs in 2024 as well as lower revenue due to unanticipated mild weather (yielding lower energy usage).
- Like all load-serving entities in California, MCE operates in a highly volatile energy market. Annual cost fluctuations reflect statewide conditions, not management decisions, and are consistent with industry-wide trends.
- The Ad Hoc Audit Committee concluded its work after the completion of the fiscal year 2024 audit, and its functions were integrated into the Executive Committee to streamline oversight and transparency, and to avoid duplication of responsibilities.

## **CFO Promotion:**

- MCE's CFO was promoted into her position following the same steps as her predecessor who started as Director of Finance before he earned the CFO title.

- As is standard practice with most public agencies, MCE's Board has directed the CEO to oversee agency operations, hiring, and employment decisions are not part of board or committee meeting agendas.

### **General Background:**

- MCE staff are obligated to follow guidance and policy set by the full board, rather than spending agency resources following minority opinions or individual board member requests.
- MCE's structure as a Joint Powers Authority ensures that all policy direction comes from its 34-member Board of Directors. Management implements board-approved policy and does not create or alter it.
- MCE's board has set strong policies to build new renewable energy under long-term contracts with over 48 MW of new renewables built in MCE's service area, and over 1,000 MW of new renewables built statewide to serve MCE's customer needs.
- While the energy industry is extremely volatile with large swings in annual costs, MCE's board has not wavered in renewable supply purchased and has built a rate stabilization fund to protect our budget and customers.
- The MCE board has approved \$400 million in community reinvestment including \$70 million in direct customer cost savings. Over \$233 million in grant funding has been awarded to MCE for programs including energy efficiency for affordable housing, EV chargers for small businesses, battery storage for schools and medical centers and electrification for water heaters and AC.
- MCE's board members are not selected by MCE to serve on the board; they are appointed by their City Councils. There is no prerequisite for experience, and there is frequent turn-over.
- MCE's board of 34 members had 11 new members join in January 2025, replacing board members who rotated off the board in 2024.