Subject: Recap of January MCE Board and Committee Meetings

Dear MCE Board of Directors,

Below is a recap of MCE's January 2026 Board and Committee meetings. Please let us know if you have any questions.

- Board Budget Workshop #1 – January 28, 2026
    - Received a presentation on MCE's Strategic Plan for Energy Services, including an update on customer program goals, progress to date, and options for reducing investments in certain programs in the next Fiscal Year.
    - Received a presentation on Integrated Resource Planning.
    - Received an overview of customer rates, billing, and costs as the foundation for proposed rate reductions.
- Board of Directors – January 15, 2026
    - Added Board members to Committees.
    - Elected Chair Scales-Preston and Vice Chair Cindy Darling as Chair/Vice Chair for 2026.
    - Formed an Ad Hoc Governance Assessment Committee comprising Chair Scales-Preston, Director Alessio, Director Birdseye, and Director Sackett to take the lead on governance assessment action steps and regularly report out to the Board.
    - Approved the scope of the Finance Committee and added Directors Alessio, Andre, McCormick, Palmares, and Wilkinson to serve on the committee.
    - Discussed Corby BESS Energy Storage Project.
- Executive Committee – January 5 & 9, 2026
    - Discussed Corrections to the Marin Independent Journal and Misinformation
    - Received an update on Power Charge Indifference Adjustment (PCIA) engagement. PCIA and PG&E generation rates are updated annually in ERRA Forecast Proceedings before the CPUC
        - The 2026 ERRA Forecast Decision by CPUC contained legal errors:
            - Application of New RA MPB Methodology - Retroactive (2025) and prospective (2026) application. The impact is an increased PCIA.
            - PG&E's Proposed Pre-2019 Banked Renewable Energy Credit (REC) Valuation. The impact is an increased PCIA.
        - MCE is supporting CalCCA on potential legal options to provide relief for these errors that negatively impact CCA customers.
    - Received an update on Integrated Resource Plan (IRP) proceeding.
        - Potential Procurement Order: in late September, the CPUC issued an analysis identifying a need for new capacity to meet state reliability targets. Drivers: Data center load growth and transportation electrification.

        - CPUC Staff Proposal: Issue a procurement order for 6,000 MW of new capacity by 2032 and require all CPUC-jurisdictional LSEs to procure proportional shares of the 6,000 MW from 2029–2032
        - MCE position: No new procurement order now – prioritize development of orderly procurement program to avoid market and affordability shocks.
    - There is a new IRP Cycle in 2026. Staff will bring IRP to Board for approval in Q1/Q2
    - Finalized the scope of the Finance Committee which was recommended to the Board of Directors for approval.

Best,
Jesica