



CITY OF CLEARLAKE

City Council

STAFF REPORT

SUBJECT: Discussion and Consideration of the City of Clearlake Joining Sonoma Clean Power	MEETING DATE: Oct. 2, 2025
SUBMITTED BY: Alan Flora, City Manager	
PURPOSE OF REPORT: ☐ Information only ☒ Discussion ☒ Action Item	

WHAT IS BEING ASKED OF THE CITY COUNCIL/BOARD:

Receive presentation from Sonoma Clean Power on their services and consider adopting a resolution selecting SCP as the City's community choice aggregator.

BACKGROUND/DISCUSSION:

Sonoma Clean Power (SCP) is a Community Choice Aggregator (CCA), a non-profit that purchases electricity generation for customers in Sonoma and Mendocino counties, while PG&E continues to maintain and operate all the poles, wires and substations of the grid. There are currently 25 operational CCA programs in California serving more than 14 million customers. The Board of Supervisors unanimously passed Ordinance 3206 on June 23, 2015, to authorize implementation of a CCA program, with the goal of reducing energy costs. Lake County reevaluated CCA service in 2019, when it requested SCP to study the feasibility of expanding service to Lake County. SCP's study, which was released in March 2020, found that it would be unable to offer competitive service to Lake County residents at the time due to the expected cost of PG&E's Power Charge Indifference Adjustment (PCIA) fee on Lake County relative to the PCIA fee on SCP's existing customers. PCIA's are required so customers leaving the Investor-Owned Utility (PG&E) do not burden remaining utility customers with costs which were incurred to serve them.

Market and regulatory conditions have improved since the Feasibility Study in 2020. SCP reengaged with the Board of Supervisors on April 15, 2025, regarding the unincorporated areas of Lake County potentially joining SCP and its GeoZone initiative. The city of Lakeport and County of Lake have also expressed interest in joining SCP. Subsequently, SCP's Board directed staff to conduct a feasibility study of SCP expansion to unincorporated Lake County, the City of Clearlake, and the City of Lakeport. The updated feasibility study has a base market scenario of Lake County customers having total bill savings of 4.2% to 12.9%. This feasibility study assumes power for the expansion to Lake County will be first procured on the spot market with the overall power costs very sensitive to market price and assumes existing regulatory conditions. There is a sensitivity analysis in the Feasibility Study that models out the impact of differing energy prices.

Next steps for a Q2 2027 SCP service start date in Lake County are outlined in the Feasibility Study.

On July 17th the Council received an initial presentation. On September 30th a joint meeting of the City of Lakeport, City of Clearlake, and County of Lake provided an additional presentation from Sonoma Clean Power.

OPTIONS:

1. Adopt Resolution 2025-34.
2. Provide Direction to Staff.

FISCAL IMPACT:

☒ None ☐ Budgeted Item? ☐ Yes ☐ No

Budget Adjustment Needed? ☐ Yes ☒ No If yes, amount of appropriation increase: \$

Affected fund(s): ☐ General Fund ☐ Measure P Fund ☐ Measure V Fund Other:

Comments:

STRATEGIC PLAN IMPACT:

- ☐ Goal #1: Make Clearlake a Visibly Cleaner City
- ☐ Goal #2: Make Clearlake a Statistically Safer City
- ☒ Goal #3: Improve the Quality of Life in Clearlake with Improved Public Facilities
- ☐ Goal #4: Improve the Image of Clearlake
- ☐ Goal #5: Ensure Fiscal Sustainability of City
- ☐ Goal #6: Update Policies and Procedures to Current Government Standards
- ☒ Goal #7: Support Economic Development

☒ **Attachments:**

1. Resolution 2025-34
2. Feasibility Study