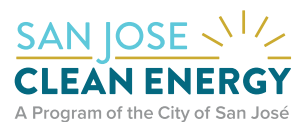




POWERED BY COMMUNITY

2024 ANNUAL REPORT





A MESSAGE FROM OUR DIRECTOR

2024 was a remarkable year of growth at San José Clean Energy, starting with our five-year anniversary celebration.

Since launching service in 2019, we've now contracted for over one gigawatt of renewable energy, enough to power the equivalent of about 600,000 San José homes. We also delivered our cleanest power to date as we continue to move San José closer to a carbon-free future. All the while, we were able to save customers \$24 million by delivering over 4% savings compared to investor-owned alternatives.

One of the most exciting moments of 2024 was witnessing one of the first projects we signed come to life this year and start delivering power at Scarlet Solar Energy Park in Fresno County. This solar power plant is just one of many that include battery storage on-site, to deliver clean solar energy day and night. We also achieved two investment-grade credit ratings, matching the highest credit ratings received by any Community Choice Aggregator (CCA), validating the reliability and stability of CCAs at large.

2024 also delivered award winning customer programs, including our electric vehicle education and outreach work which received a Beacon Innovation and Leadership Award for Innovation in Clean Transportation from the Institute for Local Government. Our building electrification work wrapped up three years of delivering energy efficient appliances to homes and businesses, saving customers over \$10 million and preventing over 18,000 metric tons of CO2 from entering the atmosphere. We even introduced a new discounted "super saver" rate, encouraging electric vehicle charging when renewable energy is most available on the grid.

As we step into 2025, we are excited to continue our shared journey towards cleaner energy, lower rates, and new community programs. Guided by our EPIC values of Equity, Progress, Integrity, and Community, we're dedicated to tackling the challenges of today while preparing for the needs of tomorrow. We shine brighter together, and it is an honor to power our community toward a carbon-free future. Thank you for being part of this incredible journey.

Sincerely,

LORI MITCHELL

Director of San José Clean Energy

"We shine brighter together, and it is an honor to power our community toward a carbon-free future."

WHO WE ARE



San José Clean Energy, or SJCE, is San José's local, not-for-profit electricity supplier operated by the City of San José.

Since 2019, we have provided clean energy for residents and businesses at competitive rates, while also offering community programs, local control, and more transparency and accessibility.

We are the largest single-jurisdiction Community Choice Aggregation (CCA) program.

TEAM: *Lori Mitchell* - Director; *Zach Struyk* - Assistant Director; *Heather Dauler* - Deputy Director of Regulatory Compliance & Policy; *Allen Fong* - Division Manager of Budget, Financial Planning & HR; *Lina Williams* - Deputy Director of Account Services & Marketing; *Scott Green* - Division Manager of Legislative Affairs; *Kate Ziemba* - Division Manager of Customer Programs; *Paul Innamorato* - Deputy Director of Power Resources; *Prachi Avasthy* - Division Manager of Risk Management & Contracts Administration

MISSION

Powering a better choice today for a cleaner tomorrow.

VISION

A city where everyone has access to affordable clean electricity.

EPIC VALUES

EQUITY

We advance better outcomes for every person in our community.

PROGRESS

We set ambitious goals to promote an affordable clean energy future.

INTEGRITY

We embrace honesty, accountability, and opportunities to improve.

COMMUNITY

We energize and empower our neighbors through excellent customer service.



RENEWABLE ENERGY PROJECTS

What is a CCA?

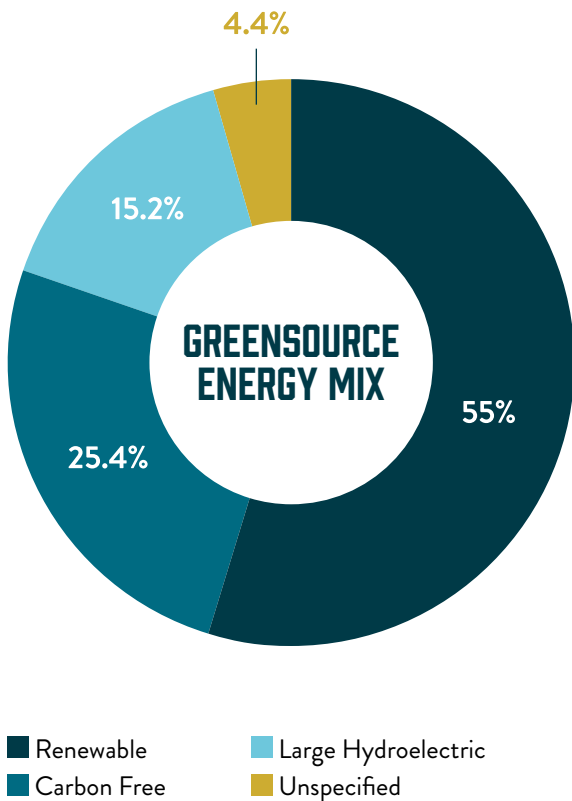
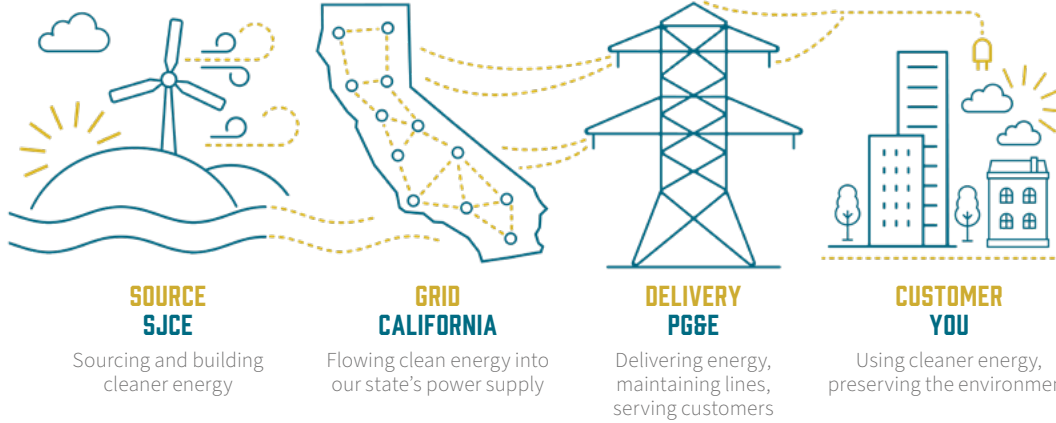
Community Choice Aggregation (CCA) are not-for-profit programs in California that allow communities to buy power on behalf of their own residents and businesses. We source renewable energy and work with PG&E to deliver it to customers, providing a cleaner and more reliable power grid. There are 25 CCAs in California serving more than 14 million customers.

WHO WE SERVE



Caltrain's new electric trains are now powered by **100% renewable energy** from SJCE and Peninsula Clean Energy.

HOW IT WORKS



\$24 million

Customer bill savings in 2024 (or 4%) compared to PG&E

Nearly 1 million

Residents and businesses served

350,000+

Customer Accounts

TotalGreen:
100% Renewable Upgraded Service

1,700 residents and businesses enrolled in TotalGreen -Including major commercial customers like San José Mineta International Airport, Caltrain, eBay, Paypal, and Samsung.

Only costs **\$4 more** per month for the average home.

Cost-effective way for companies to advance climate goals.

SJ Cares

Automatic **10% Discount** for low-income customers.

We expanded our SJ Cares discount to an additional **5,800 new affordable housing units**, so any future tenants that move in will automatically receive the SJ Cares discount.

70,000 low-income customers saved nearly \$6 million.

FINANCES & RATES

As a public agency and program of the City of San José, we will always prioritize transparency, accountability, and financial stability.

In 2024, we achieved our financial reserves policy goal of at least 180 days of operating expenses. This will secure more favorable contract terms from power suppliers and lenders – bringing customers more affordable and stable rates.

WE RECEIVED TWO INVESTMENT-GRADE CREDIT RATINGS

Moody’s issued an A2 rating and S&P Global issued an A rating, both investment-grade and matching the highest credit ratings received by any Community Choice Aggregator (CCA). This means we can negotiate improved credit terms for future power supply needs, reducing costs for customers and reinforcing our ability to secure

reliable power for close to a million residents and businesses.

GREEN BOND FINANCING WILL DELIVER MILLIONS IN CUSTOMER SAVINGS

In 2024, SJCE joined a growing list of Community Choice Aggregators (CCAs) across California utilizing Clean Energy Project Revenue Bonds (Green Bonds) to generate savings from energy prepayment transactions. This will provide over 12% savings annually, or \$8.7 million per year on average, amounting to \$66 million by the year 2032. SJCE will pass these savings to customers through decreased energy rates.



We established a “Rate Stabilization Reserve”

The Rate Stabilization Reserve focuses on providing customer rate stability, so market fluctuations have less impact on electric bills. Think of this as our way of saying, “we’ve got your back.”

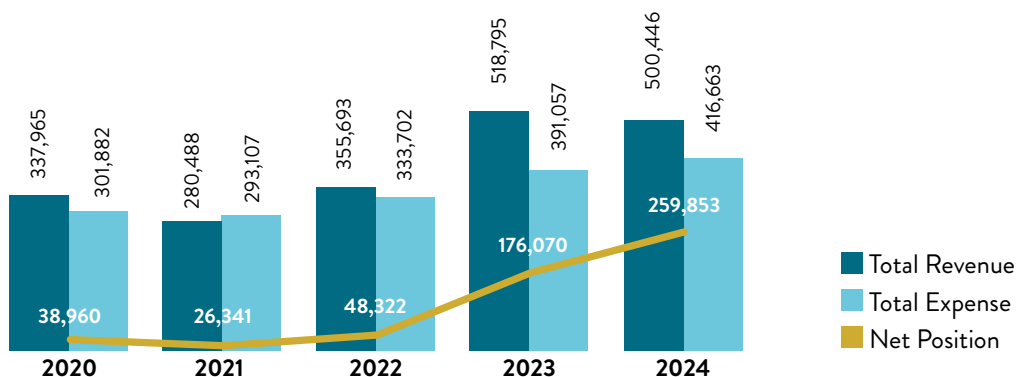


We launched an online payment portal

Now customers who moved or closed their accounts can quickly and easily settle their final balance. Previously only check payments were accepted.

FINANCIAL RESULTS

Building reserves



| | 2020 | 2021 | 2022 | 2023 | 2024 |
|---------------------|-----------------|-----------------|-----------------|------------------|------------------|
| Assets | \$100,215 | \$76,306 | \$149,239 | \$251,525 | \$363,590 |
| Liabilities | \$63,327 | \$52,708 | \$99,866 | \$79,136 | \$58,110 |
| Net Position | \$38,960 | \$26,341 | \$48,322 | \$176,070 | \$259,853 |

RELIABLE CLEAN ENERGY



Clines Corners, Wind Power Plant, New Mexico

When you pay your electric bill, you get more than cool AC on a hot day – you’re also making an investment in the future of clean energy in California.

| 2023 POWER CONTENT LABEL | | | | | | | | |
|---|-------------|--------------|-------------------------|---------------------------------|---------------|---------------|---------------|-------------------|
| San José Clean Energy - sanjosecleanenergy.org | | | | | | | | |
| Greenhouse Gas Emissions Intensity (lbs CO ₂ e/MWh) | | | | Energy Resources | Total Green | Green Source | Solar Access | 2023 CA Power Mix |
| Total Green | GreenSource | Solar Access | 2023 CA Utility Average | Eligible Renewable ¹ | | | | |
| 0 | 50 | 0 | 373 | Biomass & Biowaste | 100.0% | 55.0% | 100.0% | 36.9% |
| | | | | Geothermal | 0.0% | 1.2% | 0.0% | 2.1% |
| | | | | Eligible Hydroelectric | 0.0% | 0.2% | 0.0% | 4.8% |
| | | | | Solar | 0.0% | 0.8% | 0.0% | 1.8% |
| | | | | Wind | 0.0% | 21.7% | 100.0% | 17.0% |
| | | | | Coal | 100.0% | 31.3% | 0.0% | 11.2% |
| | | | | Large Hydroelectric | 0.0% | 0.0% | 0.0% | 1.8% |
| | | | | Natural Gas | 0.0% | 15.2% | 0.0% | 11.7% |
| | | | | Nuclear | 0.0% | 0.0% | 0.0% | 36.6% |
| | | | | Other | 0.0% | 25.4% | 0.0% | 9.3% |
| | | | | Unspecified Power ² | 0.0% | 0.0% | 0.0% | 0.1% |
| | | | | TOTAL | 0.0% | 4.4% | 0.0% | 3.7% |
| | | | | | 100.0% | 100.0% | 100.0% | 100.0% |
| Percentage of Retail Sales Covered by Retired Unbundled RECs ³ | | | | | 0% | 0% | 0% | |

¹The eligible renewable percentage above does not reflect RPS compliance, which is determined using a different methodology.

² Unspecified power is electricity that has been purchased through open market transactions and is not traceable to a specific generation source.

³ Renewable energy credits (RECs) are tracking instruments issued for renewable generation. Unbundled renewable energy credits (RECs) represent renewable generation that was not delivered to serve retail sales. Unbundled RECs are not reflected in the power mix or GHG emissions intensities above.

For specific information about this electricity portfolio, contact: [San José Clean Energy | 1-833-432-2454](tel:1-833-432-2454)

For general information about the Power Content Label, visit: <https://www.energy.ca.gov/programs-and-topics/programs/power-source-disclosure-program>

Since 2019, SJCE has contracted for over 1 gigawatt of new renewable energy and storage resources. In 2023 we delivered our cleanest power to date, beating the 2023 CA Utility Average by 323 lbs of CO₂ equivalent greenhouse gas emissions per MWh – with similar expectations for 2024.



528 MW
Solar



225 MW
Wind



27 MW
Geothermal



370 MW
of Battery Storage



571,000
metric tons

of greenhouse gas emissions reduced in 2023 with more expected in 2024, plus an additional 19,000 from customer programs.

INTRODUCING YOUR NEWEST POWER PLANTS

In 2024, four long-term projects came online totaling 167 MW of solar power and 117 MW of storage including:



SCARLET SOLAR ENERGY PARK

Scarlet Solar Energy Park is a 1600-acre solar power plant just down the road in Fresno County, CA. With 100 megawatts (MW) of solar energy capacity, Scarlet is now powering the equivalent of nearly 81,000 homes in San José. 85 MW of available battery storage on site also allows Scarlet to ‘put sunshine in a bottle,’ so some of that solar energy harnessed during the day can be used at night as well.

“Simply put, Scarlet is contributing to a more reliable and sustainable power grid for California. When we launched over five years ago, it is precisely projects like this that our Mayor and Council had envisioned.”

- San José Clean Energy Director Lori Mitchell

YELLOW PINE ENERGY CENTER

Yellow Pine Energy Center in Southwest Nevada began to deliver 65 MW of solar power and 32 MW of renewable battery storage to homes and businesses in San José in July of 2024.

Yellow Pine is powering the equivalent of 41,000 average San José homes with clean energy day and night thanks to battery storage on site. This unique solar project is also innovative for site preparation techniques that reduced site grading by approximately 75% compared to conventional methods, preserving much of the native vegetation.



WEST TAMBO

This 2 MW solar facility in Merced County powers SJCE’s innovative Solar Access program launched in 2021 and currently serves over 1,000 low-income customers in pollution-burdened communities. Recipients receive 100% renewable electricity and a 20% bill discount, providing over \$200K in bill discounts in 2024.

YOUR LEGISLATIVE ADVOCATE



As a department of the City of San José, SJCE is uniquely positioned to make an impact on energy-related regulatory and legislative issues that impact residents and businesses of San José. We continuously work to expand access to equitable and affordable clean electricity for our customers. Legislative experts on staff work with city government officials, community-based organizations, non-profits, and other CCAs throughout the state to ensure that customers' needs are addressed, from policy formation to bill advancement.



KEEPING THE LIGHTS ON

SJCE will always advocate for more affordable electricity rates. In 2024 we protected residents from utility disconnections, lowered electric bill rates, and increased public resources to provide relief on electricity bills for all residents.

- We worked with The Utility Reform Network (TURN) to support Senate Bill 1142 – which prevents utility companies from abruptly cutting off services to residential customers who are behind on payments.
- Helped protect customers who are struggling to pay their energy bills by requiring more oversight of utility rate changes – meaning more transparency and rate stability.
- Successfully requested the CPUC to re-evaluate a costly proposal regarding how the state prices Resource Adequacy - saving customers money.

We were proud to support Senate Bill 1130, which passed in 2024, expanding the FERA program to more customers by removing the three-person household requirement. Now more customers qualify for discounted rates.

CLEAN ENERGY INFRASTRUCTURE

SJCE advocates for innovative methods to speed up clean energy projects that help reduce GHG emissions, increase resiliency, and further stabilizes energy costs.

- Supported less expensive alternatives to investing in new transmission lines and other capital projects to increase the state's grid capacity.
- Expedited the deployment of advanced reconductors on existing transmission lines.
- Helped secure \$850 million for clean energy projects approved by California voters in Proposition 4.

Partners of 2024:

The Utility Reform Network, Center for Energy Efficiency and Renewable Energy, Solar Energy Industry Association, The Climate Center, California Environmental Justice Alliance, Bay Area Council, Silicon Valley Leadership Group and many others.

CLEAN ENERGY FOR ALL



In 2024, our staff-led Racial Equity Committee adopted new equity-focused goals for the next two years, focusing on:

- Reducing disconnections and improving energy affordability
- Increasing the diversity of our workforce
- Furthering racial and social equity principles
- Engaging with diverse communities across San José
- Improving supplier diversity

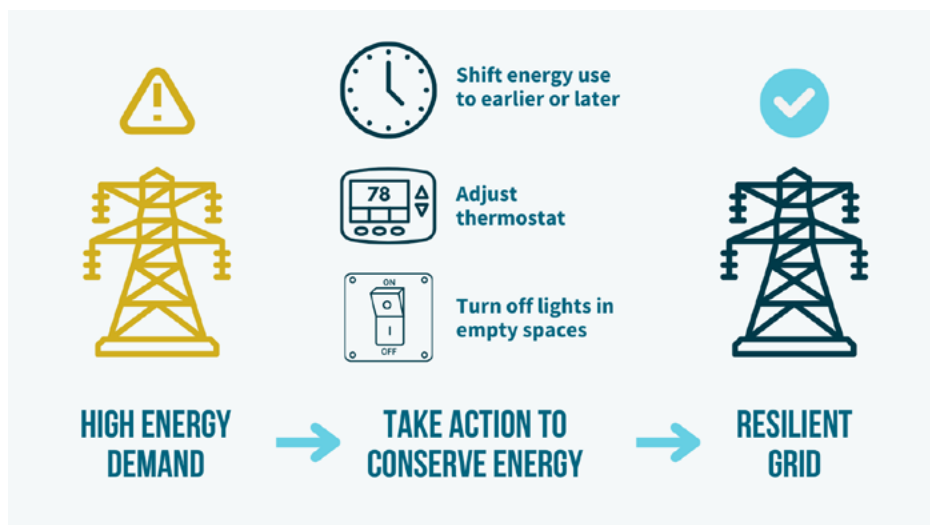
ELECTRICITY BILL RELIEF

In 2024, we worked with Sacred Heart Community Service and the County of Santa Clara’s Homelessness Prevention Program to pilot an Electricity Bill Relief program.

- 134 residents received assistance
- Covered overdue electricity balances up to \$1600
- \$101,137 in credits were applied
- 80% drop in disconnections compared to similar customers



Between August and October of 2024, San José residents saw VTA buses and light rail notifying them of the many ways they can save money on their electric bill.



DEMAND RESPONSE PROGRAM

In 2024, we expanded our Peak Rewards program to all residential and commercial customers, allowing anyone to earn credits on their electric bill for reducing their electricity use during select times throughout the year. This program improves grid resiliency, reduces carbon footprint, and saves customers money.

ENERGY EFFICIENT APPLIANCES

SJCE's energy efficiency programs, launched in 2022, resulted in 3,500 megawatt-hours of annual electricity saved by the end of 2024 - equal to the annual usage of about 720 homes.



35 million
kWhs
saved



\$11 million
in customer
savings



778
businesses and
hundreds of
homes received
energy efficient
appliances



18,145
Metric Tons
of CO₂
prevented from
entering the
atmosphere

Environmental Justice customers either meet California Alternate Rates for Energy (CARE) and Family Electric Rate Assistance Program (FERA) income requirements, have a household income less than 80% of area median income, are considered part of a Disadvantaged Community as defined by CalEnviroScreen, or meet Justice40 Community requirements.

Customers who reside in Environmental Justice Communities received 1,050 free smart thermostats, smart plugs, showerheads, induction hotplates, and bought 281 steeply discounted appliances including refrigerators, washers, and dryers.

Hear from a customer about how they liked their new appliance!



SAVING MONEY AND BREATHING EASIER WITH ECOHOME

Replacing old gas appliances with electric ones improves air quality, reduces pollution, and makes a home more efficient and comfortable. After launching in 2024, The EcoHome Rebate allows residential customers to save up to \$12,000 when they install a heat pump water heater or heat pump HVAC and related upgrades, with up to \$5,000 of interest-free on-bill financing with the EcoHome Payment Plan. The EcoHome Network also connects customers with qualified contractors to complete their building electrification projects so many more customers will be saving money, breathing easier, and reducing their carbon footprint in the years to come.



Customers secured
\$650,000
in rebates in the
first 2 months

WORKFORCE DEVELOPMENT



San José Clean Energy and Nextera Energy Resources at Yellow Pine Energy Center

Scarlet Solar Energy Park is not only great for the city of San José, but it has also given a boost to the local economy in the San Joaquin Valley and surrounding areas by providing more than **230 union labor construction jobs over the past five years**, along with millions of dollars for small businesses and local governments in the coming decades.



Director Lori Mitchell with contractors at Scarlet Solar Energy Park in Fresno, CA

\$525,000 was received in Community Investment Funds from Scarlet Solar Energy Park and Yellow Pine Energy Center.

Part of these funds were dedicated to San José Works, an organization dedicated to expanding youth employment in San José, including teen training and job placement programs, particularly for at-risk youth in gang-impacted neighborhoods.

One of those small businesses is **Indart Solar Sheep Grazing**, a family-owned Central Valley farm and livestock business that's been passed down for three generations. Since Ryan Indart purchased the business from his father in 2009, he **has exponentially grown the company thanks to projects like Scarlet**. Indart has a couple thousand sheep graze the 2,000 acres that encompass Scarlet Solar. This is an eco-friendly way to reduce fire risk by managing vegetation and allows Indart to employ around 15 people to work for his farming business.



EXPANDING ACCESS TO ELECTRIC VEHICLES



EV Expo + Ride and Drive at PayPal Park, September 2024

About 55% of San José's greenhouse gas emissions come from transportation, that is why SJCE is committed to expanding electric vehicle (EV) adoption to reduce pollution and fight climate change. Our award-winning, multilingual EV Education and Outreach campaign has helped hundreds of people learn about and purchase EVs who might not have considered them otherwise. When charged using electricity supplied by SJCE, you can be confident that your EV is powered by at least 55% renewable energy.

In 2024, we conducted two needs assessments to inform our transportation electrification and programs priorities at-large. The multi-year relationships we forged with community-based organizations drove our success in reaching diverse customers. In total, we gathered nearly 1,400 survey responses and hosted seven listening sessions in English, Spanish, and Vietnamese.

In July 2024, SJCE published an online multilingual website for comparing lifetime costs and emissions of electric vehicles versus gas-powered cars to help you find the vehicle that's right for you.

San José has over 1,600 public EV charging stations – making it one of the best cities in the nation for charging an electric vehicle.

MAKING CHARGING MORE ACCESSIBLE

- Our Multifamily EV Charger Assistance Pilot provides incentives to multifamily property owners to cover the costs of installing EV charging stations in buildings where people live. SJCE plans to expand the Pilot with an additional \$1 million in incentives to install an estimated 240 charging ports at 20 multifamily properties in San José.
- Since launching in 2020, the City of San José has been able to install many new publicly accessible EV chargers with support of the California Electric Vehicle Infrastructure Project (CALeVIP). About 31% of the funds have been reserved or issued to projects in low-income and disadvantaged communities.
- Our Midday Super Saver Rate Pilot allows EV owners to save up to 60% from their charging costs while charging their vehicles when renewable energy is most available, saving money and the environment.



250 residents

test drove electric vehicles at EV Ride & Drive events



78 charging ports

at 10 multifamily properties reserved for installation



229 Publicly accessible charging ports

installed throughout San José

AWARD WINNING ENERGY



San José residents checking out EV models at the EV Incentive Clinic at Mayfair Community Center

ELECTRIC VEHICLE EDUCATION

San José Clean Energy (SJCE) and the City of San José earned a Beacon Innovation and Leadership Award for Innovation in Clean Transportation from the Institute for Local Government (ILG). The program engaged over 1,000 residents in East San José with electric vehicle events, webinars, financial incentive clinics, ride and drives, expos, and coaching. The program was accepted into the National Renewable Energy Laboratory (NREL) Clean Energy to Communities (C2C) Peer-Learning Cohort which secured \$20,000 in funds for the Silicon Valley Clean Cities Coalition (SVCCC).

TOP TEN CLEAN ENERGY RANKING

San José Clean Energy ranked sixth on the National Renewable Energy Laboratory (NREL) 2023 CCA Green Power Customers list by proudly serving nearly 350,000 customer accounts with renewable energy. SJCE's inclusion on the 2023 list demonstrates our success in meeting the growing demand for renewable energy among San José's nearly one million residents and businesses.



CELEBRATED 5-YEAR ANNIVERSARY

We produced a 5-year anniversary celebration honoring community organizations with “You’ve got Great Energy” awards, bringing together 200 people including city, county, and state leaders. The program included opportunities for key stakeholders to connect and take pride in SJCE accomplishments including a poem from a high school climate activist.

ON THE HORIZON



Expanding Solar Access

Our Solar Access program provides a 20% discount off of our 100% renewable energy rate for select pollution-burdened customers. This expansion would provide an additional 380 customers with this same discounted rate.

Peak Rewards for Smart Homes

Launching in Spring 2025, Peak Rewards for Smart Homes will pay residential customers for access to their smart thermostats, EV chargers, and EVs, for additional savings. These smart devices will make adjustments automatically, so customers can earn bill credits with no effort required. SJCE also plans to support additional technologies like battery storage, heat pump water heaters, and pilot a smart thermostat for commercial customers, aiming for 5 MW of reductions by Summer 2025 and 25 MW by mid-2028.

Heat Pump Education

In 2025 SJCE will launch a building electrification education campaign to pair with our EcoHome Rebate and Payment Plan – providing resources about heat pump technology and energy efficiency. SJCE will work with community-based organizations to reach diverse audiences and will include tactics for contractors and companies selling space and water heating equipment.

Residential battery storage incentive

Adding a battery to your home can provide numerous benefits: resilience during a power outage, storing energy when prices are cheaper, and for rooftop solar customers, storing excess solar energy for later use. Participants will receive a rebate on battery equipment and installation in exchange for participating in Peak Rewards Virtual Power Plant, allowing SJCE to leverage a portion of the battery as a resource during peak hours of the day.

Green Transportation Program

This program will offer a discount on our 100% renewable energy option to customers that provide electrified public transportation. This energy will also be certified as zero carbon intensity in CARB's Low Carbon Fuel Standard (LCFS) program which will help further advance clean transportation goals for public transportation.

Residential EV Incentive

This program will provide financial incentives to eligible SJCE customers as a discount at the point-of-sale when they purchase or lease a new or used EV from participating car dealerships. Program eligibility will be limited to customers who meet income qualifications and is expected to fund incentives for over 850 EVs for San José residents.

EV Concierge

SJCE will launch a concierge service to provide resources and support to customers seeking to transition to an EV. The service will assist customers with all EV related questions while connecting them with incentives, technical assistance, and contractors.



Electric Vehicle Expo at PayPal Park

POWERED BY PEOPLE

2024 was a record year for sponsorships and partnerships!



Director Lori Mitchell speaks at the Airport Operations & Technology Symposium



Bark in the Park at William St. Park



Viva Calle 2024 at Downtown San José



Supporting your Major League Soccer team, the San José Earthquakes



EV Financial Incentives Clinic and EV Expo at Mayfair Community Center



EV Ride and Drive at Emma Prusch Park



EV Ride & Drive + Expo at PayPal Park



Santa Clara County Fair



Induction Cooking Experience with Chef Martin Yan at Quinlan Community Center



Silicon Valley Youth Climate Action Leadership Summit at Quinlan Community Center




City of San José Career Expo at Mexican Heritage Plaza





Silicon Valley Pride at César Chávez Plaza




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