

The SCP Opportunity for Lake County

By Denise Rushing ([bio below](#))

What's on the Table

On **October 21**, the Lake County Board of Supervisors will vote on whether to **approve the county's involvement in a Joint Powers Agreement (JPA)** and authorize the County to **join Sonoma Clean Power (SCP)**—a public, not-for-profit Community Choice Aggregation (CCA) entity that already provides clean energy to several Northern California counties.

If approved, Lake County residents and businesses could begin **receiving electricity generation from SCP in early 2027**, with **PG&E continuing to maintain the power lines and handle billing and service**. Customers would be automatically enrolled but are able to **opt out at any time** to remain with or return to PG&E generation services.

Lake County is shielded from the costs or financial risks in electricity markets under this agreement.

Lake County would gain **two seats on SCP's 13-member governing board**, giving residents a voice in regional energy decisions. The agreement also indicates the County's willingness to explore—**but not commit to**—a “**GeoZone**” for local geothermal projects, which could later create **jobs and local clean-energy investment opportunities** if developed.

Lake County would essentially be committing to **two things** (1) Participation in the governance of the JPA for a period of 20 years; and (2) A willingness to explore SCP's "GeoZones" concept--a form of generation of vital interest to SCP in the region.

While the City of Clearlake declined to join, **approval by the County and the City of Lakeport** would be sufficient for SCP CCA service to move forward in Lake County.

If Lake County fails to act now, **the opportunity to regain local control over energy generation decisions and participate in energy generation benefits may not return for decades**, if at all. I would compare this to the decision a BOS made decades ago when forgoing involvement in the Clear Lake dam project and thus losing control and direct benefit from the water in Clear Lake.

The Decision.

Lake County Board of Supervisor's decision can be boiled down to this:

is the BOS willing to enter into a structure that offers their constituents a choice of electricity generation provider?

That decision brings with it essentially one risk: if Lake County residents are dissatisfied with SCP, the county has committed to 20 year involvement in the governance via the JPA. However, in this unlikely event, **Lake County constituents are still free to leave SCP and return to PG&E generation service at any time.**

This decision does not bind or commit Lake County to geothermal development or any specific geothermal projects. It does ask the board to indicate their willingness to consider such proposals, which may (depending on the individual projects) may have significant benefits or risks to the County. The Board has already indicated an openness to considering such proposals in certain areas.

Given the complexity of the energy markets and the misconceptions and unfounded assertions by a handful of people speaking in opposition to this idea, I've summarized the benefits of the SCP opportunity and done my best to address the concerns raised thus far.

Benefits to Lake County Residents and Businesses

1. Fair, Transparent Rates for SCP enrolled participants

- SCP is a **public, not-for-profit agency** with **no shareholders** and **no profit motive**; every dollar goes back into customer programs and rate stability.
- **Historically lower** than PG&E's—though not every year—but always fully transparent. **5-7% lower on the TOTAL bill on average**. Since generation can be 50% of the PG&E bill, this means SCP lowers the portion it manages by 10-14% on average--sometimes much more.

2. Lake County Leadership

- **Lake County has long worked to create a local, circular economy** -- keeping dollars in the region. Local Food. Local Energy, Local Money. Energy dollars are a significant economic leak in our region. These dollars leave our region to benefit corporate shareholders based elsewhere. Energy localization is a necessary and natural extension to that localization movement, something we've worked on for decades with modest success. **The SCP offer represents one of the best opportunities we have to keep energy dollars in the region.**
- Lake County already has a proud history of clean-energy leadership (e.g., major solar installations at county facilities). SCP participation reaffirms that leadership.

3. Clean, Innovative Energy

- SCP's energy portfolio is **cleaner than PG&E's** and its programs consistently among the **most innovative** in California.
- SCP, along with other CCAs, **outperform investor-owned utilities in renewable content and climate innovation.**

- SCP prefers **local generation** and is a proponent of economic localization—investing in Lake County’s projects would keep **energy dollars circulating locally**.

4. Economic & Community Benefits

- SCP funds **cutting-edge programs** in energy efficiency, solar, and community energy resilience—among the best in the nation. Our community would directly benefit from these programs.
- Joining SCP could **create jobs**, attract **local investment**, and **retain economic value** within the county instead of exporting it to outside shareholders.

5. Reliability & Choice

- **PG&E still owns and maintains the wires, grid, and billing system**—service reliability does not change. PG&E is incentivized to maintain its grid
- Customers retain **freedom of choice**: it’s **free to opt out before SCP service begins**, and after 60 days, a minimal **\$5 (residential)** or **\$25 (business)** fee apply to opt out.
- **SCP will advocate for its constituents in the PG&E rate hearings** (for transmission and distribution system rates)—something very difficult (and expensive) for individual counties to do on their own.

6. Local Representation and Control

- For the first time, Lake County will have a **real voice in regional energy generation decisions**, with **two seats on SCP’s 13-member board**.
- While two seats doesn’t mean local Lake County "control" per se, SCP’s board has a **strong record of collegiality and trustworthiness**—it

respects local priorities. **SCP has never imposed unwanted projects on its member communities.** We would be one of their member communities with a seat at the table.

- The alternative? No voice at all in which SCP projects get proposed and where they are developed. Projects developed here (SCP or corporate) would have much less benefit to our County and there would be little incentive for the developer to do so.

Key Myths & Misunderstandings (to Address Directly)

In hearings thus far, members of the general public have brought forward questions and made assertions. Their tone tends to be emotional and distrustful, and these concerns are understandable--given decades of outside interests exploiting the natural assets of this county. Most of these concerns are based on misunderstandings that can be directly addressed.

1. ["Isn't this just a backdoor for geothermal expansion?"](#)

Fear that the "GeoZone" concept binds the County to unwanted geothermal projects that we would not otherwise see.

2. ["Won't the County be financially liable if something goes wrong?"](#)

Misunderstanding of how a Joint Powers Agreement (JPA) actually isolates risk.

3. ["PG&E has said their rates will go down. Isn't there a risk that SCP might not be lower?"](#)

Skepticism about long-term savings or comparisons with PG&E.

4. ["Aren't we giving up local control?"](#)

Concern that decisions will be made outside of Lake County and not to the

county's benefit.

5. **“PG&E will retaliate or shut us out.”**

Concern that PG&E could punish Lake County or degrade service quality.

6. **“It’s too complicated—let’s just wait.”**

Fear of change or belief that delay carries no cost.

7. **“The board should get a better deal from SCP.”**

Misunderstanding and assumptions that there’s a separate negotiation and better deal to be had.

8. **“Why can’t Lake County develop clean energy and geothermal on its own?”**

Belief that the county has the knowledge, resources, energy demand, and public support to develop its own energy projects.

9. **“We should go slow. Why the hurry?”**

Belief that postponing the decision avoids risk when, in reality, it forfeits a rare opportunity.

Let's go through these one at a time.

Fact: The GeoZone is *not* a project—it’s a *conversation starter*.

Sonoma Clean Power wants Lake County **at the table** as it studies where geothermal development might make sense regionally. The GeoZone is **an exploratory concept**, not a commitment to specific projects in this agreement.

If any project were proposed, it would require **permits and review**—meaning **Lake County keeps any authority it already has over such projects**. Note: Lake's authority changes if developers choose to apply to the state for permits rather than the

county, but accepting this SCP proposal does not lessen Lake County's power, it strengthens it. Once in partnership, Lake County can request that (a) local projects go through the county processes and (b) SCP help in amending State clean energy permitting legislation to comply with local Geothermal setbacks. **Regardless of whether or not Lake County joins SCP, the county must and should separately clarify and update its own geothermal setbacks--and make known to the state and any developer where such development is deemed acceptable and unacceptable in our county, amending state legislation if need be.** It's important to note that every project large and small, particularly complicated ones like those SCP might propose, have risks associated with them.

By participating now, we keep the county's authority *and we put ourselves in the best position to ensure that, if SCP geothermal projects do happen, they are done on Lake County's terms*, creating **local jobs and local revenue**—not simply handed off to big outside organizations and corporations like Chevron or Shell, which could move forward regardless--taking their requests to the state if they so choose.

In short: joining SCP gives us **a voice**, not an obligation.

Fact: Lake County takes on zero financial risk in the energy markets.

The **Joint Powers Agreement (JPA)** ensures that **Sonoma Clean Power—not Lake County—signs all contracts** and carries any project-related financial obligations. The County does **not invest, guarantee, or borrow money** for SCP operations.

If SCP ever faced financial trouble (a highly unlikely scenario given its excellent track record and strong reserves), the **worst case** is that the agency could dissolve and customers would **simply return to PG&E** as before—**no bills, no liabilities, no taxpayer exposure**.

If SCPs customers (including the County facilities) do not like the arrangement, they are free to return to PGE's portfolio for a nominal fee. It should be noted that SCP has a high customer satisfaction rate and retains 87% of eligible area participants, so a scenario where customers demand Lake County exit the JPA before the end of its term is highly unlikely. The only financial obligation the county could face is under this unlikely scenario because SCP would have made long term investments to serve its Lake County customers.

In other words, joining SCP allows Lake County to share in the benefits of a public power agency **with little or no financial risk to the County or its residents.**

Fact: SCP's rates have been consistently competitive—and always transparent.

For most of the past decade, **Sonoma Clean Power customers have paid 5–7% less in their TOTAL bill than PG&E customers** on average. Rates fluctuate with market conditions for both agencies, but SCP has a strong **Rate Stabilization Fund** that helps buffer sudden cost spikes.

When PG&E lowered its rates in early 2024, **SCP immediately followed suit**, maintaining roughly a **3% overall savings** for its customers.

Unlike PG&E, SCP is **not profit-driven**—it has **no shareholders to pay**, and rate decisions are made **locally, in public meetings**. SCP's pricing is about **fairness and accountability**, not corporate profit. **Their motive is customer satisfaction and Community Choice**--with priorities of economic localization and a clean energy future.

Even when prices are close, SCP delivers more value: **cleaner energy, better customer-facing programs**, and **renewable energy projects that reinvest in local jobs** right here in our region.

For some customers, this is the only viable way they can "go solar." For those who can, or already have gone solar--their arrangements are preserved and in the future may be more advantageous.

Fact: Joining SCP gives Lake County a voice we've never had before.

Right now, **PG&E (as the generation supplier of last resort) and other large generation companies make all major energy decisions in their various corporate headquarters**, with **zero representation from Lake County** and no way for our residents to influence rates, programs, or investments short of becoming an intervenor at the CPUC in PG&E's case.

By joining Sonoma Clean Power, **Lake County gains two seats on SCP's board**—a transparent, collaborative body made up of elected officials from member counties and cities. The board's track record shows **respect for local priorities** and (again) **no history of imposing unwanted projects**.

Through SCP, Lake County can help shape regional energy decisions that affect our homes, our economy, and our environment—something we've *never* had under PG&E's monopoly.

Far from losing control, this move means **taking back control**—from a corporation to the regional community.

Fact: PG&E has *no reason—and no incentive—to retaliate*.

PG&E does **not make its profits from generating electricity**—the part that Sonoma Clean Power would handle. PG&E earns money by **maintaining infrastructure** (the

poles and wires) and through **rates approved by the California Public Utilities Commission (CPUC)** based on its performance.

That means **PG&E continues to make money serving SCP customers**, because it still delivers the electricity, maintains the grid, and handles billing—just as before.

Since Community Choice programs began in California, **dozens of cities and counties have joined**, and **PG&E has never retaliated**. It's not only **illegal under state law**, it's also **not in their financial interest**. In short: PG&E doesn't lose when Lake County joins SCP—**we just gain a choice** and a stronger local voice over where our energy comes from.

Fact: SCP's Offer is unlikely to improve.

It is clear that the BOS does not have significant leverage to gain many, if any concessions from SCP on this offer, especially given actions at the state that could enable any energy developer to bypass the county permitting process. Still, the Board of Supervisors can and should ask for important clarifications and highlight items of importance to Lake County, especially working with the County on areas suitable for Geothermal projects.

SCP, in its offer, is extending the intention of partnership (as it has with all of its member communities). Given the relatively difficulty of serving Lake County customers for the load we bring to SCP, this offer of partnership is a strong one. It offers us benefits for our population, real influence and a seat at the table.

Once in the door, Lake County could advocate for increased voting shares based on power production as well as consumption, giving SCP incentive and Lake more leverage as these projects are proposed.

Fact: Developing large local energy projects ourselves to serve our community is costly, complex, and risky. These projects would still require interconnection with PG&E, a multi-year process.

Constituents have asked: *"Why can't Lake County develop clean energy and geothermal on its own?"* They have asserted that if we decide to do this it would be in the best interests of the county. As the county is already a leader in solar energy installations on its own facilities and with its own water and sewer districts, this is a reasonable question.

While the county can and should continue to develop renewable energy projects for its own facilities, the county is not in a financial position to develop its own geothermal wells or other major projects requiring PG&E interconnection without expensive outside expertise and massive risk to the county's own financial well-being. These are risks most citizens would find unacceptable.

Fact: Waiting is the real risk —this opportunity may not come again.

Lake County has explored local energy options for over **20 years**, but until now, the timing was never right. When we first looked at Community Choice Aggregation (CCA) in 2015, **the financial risk for that proposal fell on the County**. In subsequent years, **PG&E's exit fees** made participation in a CCA like SCP uneconomical. Back then, even **SCP wasn't ready**—they were new and cautious, building their own expertise in volatile energy markets.

Today, that's changed. SCP now has a **proven, decade-long track record of success**, a strong financial foundation, and PG&E **exit fees are no longer a significant financial barrier**, though that could change in the future. **For the first time, the economics and structure align to make this work for both Lake County and SCP.**

If we delay, we risk losing a **rare, favorable moment**—just as we once lost control of our own lake’s water by waiting too long to act.

And the “complexity” isn’t on residents’ shoulders. **SCP manages implementation professionally**—they’ve done this many times before and have **award-winning community programs**. All residents will need to do is **choose whether to stay in or opt out**.

The bottom line: the SCP option is not a burden to take on—it’s a **door we simply need to walk through**, before it closes.

About Denise Rushing

Denise Rushing is a former Lake County District 3 Supervisor and a recognized leader in renewable energy and energy efficiency. She earned a degree in environmental engineering from Stanford University and devoted her thirty-five plus year career in the energy industry to clean technology. Her pioneering work included the launch of award winning energy efficiency and clean technology initiatives adopted by utilities around the world. She has led and advised disruptive energy technology start-ups and worked with energy industry innovators. Key roles included Vice President of Marketing and Sales for eMeter, CellNet Data Systems, and Sage Systems, General Manager for Invensys Goodwatts home energy control division, and Manager of the California Clean Energy fund.

From 2007-2015, she served two terms on the Lake County Board of Supervisors where she led the county to two state-wide Green California Leadership awards and championed two of the largest public solar energy installations in the Western United States.