



City Council Staff Report

Subject: City of Rocklin, Pioneer Community Energy and Energy Mission Control dba FuSE Carbon Technologies Memorandum of Understanding

Date: August 26, 2025

Submitted By: Andrew Keys, Assistant City Manager

Department: City Manager's Office

Recommendation:

Adopt a Resolution of the City Council of the City of Rocklin approving the Memorandum of Understanding between the City and Pioneer Community Energy for Low Carbon Fuel Standard program services to be administered by Energy Mission Control dba FuSE Carbon Technologies.

Background:

The Low Carbon Fuel Standard (LCFS) program is managed by the California Air Resources Board (CARB), and operates similarly to the Cap-and-Trade program in that some entities generate credits and some generate deficits based on the carbon intensity of their activities. LCFS is exclusive to transportation fuel emissions.

Entities that produce low, or no, carbon transportation fuels generate credits. Entities that produce transportation fuel emissions create a deficit. These credits have a floating value based on the program market dynamics. Entities with credits can sell them to entities that create emissions, and the selling party realizes the monetary value associated with the credits. The City is currently undertaking a Zero Emissions Vehicle study and transition plan. Over time, the City of Rocklin can potentially generate credits from City-owned electric vehicles (EV), EV charging infrastructure, electric forklifts, and other clean transportation elements.

At its April 17, 2025 Board Meeting, Pioneer Community Energy (Pioneer) approved an agreement between Pioneer and Mission Energy Control (dba FuSE) to provide LCFS program services to Pioneer. The agreement included the ability for member agencies to utilize FuSE services through a Memorandum of Understanding (MOU) with Pioneer. This MOU arrangement allows the City to leverage Pioneer's expertise in LCFS programs and Pioneer's publicly bid contract with FuSE to provide these services to Rocklin. Services will be provided at minimal cost and in a manner that would likely not be directly accessible to the City as a small player within the LCFS market.

To monetize its LCFS credits, the City must utilize a credit broker. FuSE is an approved credit broker contracted by Pioneer and other Community Choice Aggregators (CCAs) throughout California. FuSE supports Pioneer and other CCAs' efforts to monetize their LCFS credits produced primarily through EV charging stations. FuSE is a software-as-a-service (SaaS) company that designs, manages and executes electricity consumption data products and services for public agencies, larger companies, and other CCAs to buy and sell LCFS credits.

If the MOU is approved, CARB staff administering the LCFS credit program would work with FuSE and the City to inventory and track potential sources for credit. FuSE then would sell the credits on behalf of the City, and FuSE and Pioneer each retain 5% of the credit value. The balance of 90% would be returned to the City. Based on Pioneer's estimate, the City can generate anywhere between \$784 and \$6,782 per year depending on use of the City-owned publicly available EV chargers. The City currently receives no value for any generated LCFS credits because the City does not have a broker to sell the credits.

Fiscal Impact:

There is no impact to existing City revenues from this action. Any costs for administering the LCFS program are contingent on FuSE successfully selling the City's credits to market. Based on Pioneer's estimates, the City would net between approximately \$705 and \$6,104 in additional annual revenue from LCFS program participation. These funds can help offset some costs for future clean fleet or electric vehicle purchases or infrastructure installation.

ATTACHMENTS:

- [1. Resolution](#)
- [2. MOU - Pioneer FuSE](#)
- [3. Consultant Services Agreement](#)
- [4. Clean Fleet Revenue Program](#)