

## MINUTES OF THE VALLEY CLEAN ENERGY ALLIANCE

### COMMUNITY ADVISORY COMMITTEE

Integrated Resource Plan Workshop

Thursday, April 26, 2018

The Community Advisory Committee of the Valley Clean Energy Alliance met in regular session beginning at 6:05 p.m. in the Woodland Senior & Community Center, 2001 East Street, Woodland, CA 95776.

#### Welcome and Roll Call

Committee Members Present: Mark Aulman, Gerry Braun (Chair), Tom Flynn, Christine Shewmaker (Vice-Chair), David Springer

Committee Members Absent: Marsha Baird (Secretary), Yvonne Hunter, Lorenzo Kristov

Approval of Agenda Christine Shewmaker moved, seconded by David Springer to approve the agenda. Motion passed by the following vote:

AYES: Mark Aulman, Gerry Braun, Tom Flynn, Christine Shewmaker, David Springer

NOES: None

ABSENT: Marsha Baird (Secretary), Yvonne Hunter, Lorenzo Kristov

Public Comment Integrated Resource Plan (IRP) Overview, Timelines and Requirements

None

Olof Bystrom, Jennifer Archuleta and Gary Lawson of SMUD each introduced themselves. Mr. Bystrom, Lead Analyst for the IRP, announced that this workshop was the start of the public stakeholder review process. He outlined the workshop's objectives, timelines and requirements of the California Public Utilities Commission (CPUC) on VECA to file an IRP. He reiterated that the due date for a draft IRP is six (6) weeks away with the final IRP due August 1<sup>st</sup>, 2018.

The main objective of this workshop is to generate discussion amongst the CAC Members as to what VECA's IRP would entail. He informed those present that his presentation will be posted to the VECA website tomorrow. Dr. Bystrom reviewed his slide presentation and are summarized below:

**CPUC – Required IRP Features (slides 1-10):** CPUC requires that VECA provide an IRP that includes numerous and equally important goals. Not all but several goals are outlined below:

1. a one (1) to three (3) year action plan and cover the time period through the year 2030;
2. must include at least one conforming portfolio, report on the greenhouse gas (GHG) emissions with an outline on the methodology used to determine those emissions, and demonstrate compliance with PUC 454.52(a)(1);
3. the procurement of a minimum quantity of eligible renewable energy resources with specific goals set out for the years 2020, 2024, 2027, and 2030;
4. in order to achieve a balanced portfolio, the “retailer sellers” must meet specific requirements; and,

5. starting on January 1, 2021, at least 65% of the procured energy that the “retailer seller” counts towards their renewables portfolio for each compliance period shall be from contracts for ten (10) years or more.

Mr. Bystrom reviewed numerous other goals along with the requirement for VECA to demonstrate how its portfolio will minimize pollutants and emissions on disadvantaged communities. He explained that the CPUC defines a “disadvantage community” as a low income area with high quantities of pollutants.

Committee questions and staff responses are summarized below:

Currently PG&E is at 30% procurement of eligible renewable energy resources with their goal of 50%. Possibly VCE should aim higher than 50%. Doubling the energy efficiency seems like a tall order – impacts on costs.

Does the procurement of renewables include SB350? Yes.

Regarding the disadvantage communities map provided in the slide presentation: it is based off of zip codes. Be careful on how the CAC interprets the map because the map looks completely different when other sources of data are used, such as information from AB1515.

Can we assist in lessening the quantities of pollutants along I-80 and I-5 in the disadvantaged communities, such as: lessening the traffic/transportation along the freeway? Not VECA because the IRP is really about energy resources. However, if there are ways VCE can support battery/charging, allowing more EV on the road, then yes, there is the potential for positive impact.

What is the baseline year used? 2016

Regarding the mandate of energy efficiencies and demand response programs, can VCE position themselves in this? Yes VCE could; however, VCE would have to apply and demonstrate to the CPUC that they are able to take over the energy efficiency programs. This would be a large responsibility for VCE and it is tightly regulated by CPUC.

Comment was made about the Total Resource Cost (TRC) that CCE’s have a requirement to meet the TRC level; however, it is workable.

MCE is doing something shared? How does CPUC hold both PG&E and the CCA accountable?

Public Comment:

Michael Day of Trane Energy Solutions asked a few questions:

1. AB2514 is an energy storage requirement, how does this requirement fit in with VCE’s IRP?

For CCA’s it is not a set amount such as 1,325 megawatts of storage, but rather the requirement is based off of a percentage per megawatts.

2. The Time Dependent Matrix (TDM) variable can impact over time.

This is not covered by the CPUC; however, it is a requirement to calculate greenhouse gas emissions on an hour by hour basis.

Ezra Beeman, running for City of Davis Council, commented that he supports using local centralized resources.

**Climate Action Plans and VECA (slides 11-14):** Mr. Bystrom reviewed the Cities and County's Climate Action Plans (CAP) (slide 12) by comparing their different climate goals, GHG electricity emission base years, energy efficiency, renewable energy and water. He provided a graph (slide 13) comparing the 2030 GHG targets and commented that VCE is on track in meeting these goals.

Committee questions and staff responses are summarized below:

The City of Davis is updating their CAP, are their goals changing? No, but other items, such as, methodology, may be changed. Yolo County is looking at their goals. SMUD was asked to communicate back to CPUC what VCE is doing.

**Load Forecast and Resource Needs (slides 15-18):** Graphs were provided on electric demand forecast (slide 16), electric peak demand forecast (slide 17), and resource needs based on VCEA forecast (slide 18).

Committee questions and staff responses are summarized below:

MCE is doing something shared? How does CPUC hold both PG&E and the CCA accountable? Total Resource Cost (TRC): CCA's are allowed a 3 year period from when they start to maintain TRC of 1.0.

What are the impacts of climate change on the electric peak demand forecast graph (slide #16)? The graph is based on statistical information. There is no future impact forecasting in this graph.

What is the reserve percentage used in the resource needs graph (slide 18)? 15%

Is the resource needs graph (slide 18) based on growth population? Yes

What is the reserve you are assuming in slide 18? Assuming 15% reserves.

Does the electric peak demand forecast (slide 17) account for gradual increase of climate change? No, but the trend in planning is to consider climate change. In addition, this is not the only time that VCE will be creating an IRP plan.

The graph (slide 17) does assume for growth in housing/population? Yes

**Public Comment:** There are three (3) different jurisdictions with Community Action Plans (CAP) and each jurisdiction should be considering the growth and/or shrinkage on the load impacts.

**Resource Options, Costs and Market Prices (slides 19-26):**

Graphs were provided on resource options and costs (slide 20), availability of local renewable resources in VCEA (slide 21), levelized cost of new supply (slide 22), levelized cost of new capacity for RA (slide 23), three sample 2030 resource portfolios (slide 24), three sample 2030 resource portfolios – generation mix (slide 25) and, portfolio observations (slide 26).

Committee questions and staff responses are summarized below:

How would this picture (slide 20) change if you included transmission costs?  
PG&E has specific distribution costs that apply to VCE.

Vision and Action Plan – CAC and VCEA Direction (slide 27-29):

Dr. Bystrom reviewed the near and long term vision for VCEA. He proposed an approach for IRP contracting and procurement and the IRP Action Plan.

Dr. Bystrom wrapped up the meeting by summarizing the CAC’s general guidance on some key IRP related topics, i.e.:

1. Impacts of long term climate change on demand and resource availability is not factored into the report and IRP forecast. This may be an area of future studies.
2. Energy Efficiency and Demand Management are important features of the jurisdictions’ climate action plans. Impacts are not modeled explicitly but captured in the demand forecast - more can perhaps be done on this in the future (and when cash flow for programs start to materialize).
3. Land use impact and other criteria for procurement of resources under long term contract may be an important area for CAC to provide guidance on, leading up to future solicitations for contracts.
4. Although cost is not the only factor affecting future resource supply, it is important to remain competitive with PG&E rates.

Next Steps            Emily and Alisa will send out a summary of the meeting, the assignment that Olof would like all of the CAC members to consider, materials from Defenders of Wildlife and post the slides on the website.

Next Meeting        It was decided that the April 30, 2018 meeting would be cancelled and it was announced that the next regularly CAC meeting would be scheduled for Monday, June 4, 2018.

Meeting was adjourned at 9:07 p.m.

Alisa Lembke  
Board Clerk/Administrative Analyst