

**VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE**

Staff Report - Item 10

TO: Community Advisory Committee

FROM: Alisa Lembke, Board Clerk/Administrative Analyst

SUBJECT: 2021 Year End Review – Evaluation of Calendar Year Activities

DATE: October 28, 2021

This staff report transmits the draft 2021 CAC (summary) and **Task Group** reports for discussion:

- CAC
- Legislative / Regulatory
- Outreach
- Programs
- Rates
- Carbon Neutral

Attachments:

1. CAC
2. Legislative / Regulatory
3. Outreach
4. Programs
5. Rates
6. Carbon Neutral

Background and Introduction

The Community Advisory Committee (CAC) of the Valley Clean Energy Alliance (VCEA) was created by the Board in December 2016 and held its first meeting in August 2017. In September 2017, the Board adopted a “charge” for the CAC outlining its goals, purpose and direction. The CAC charge was revised by the CAC and approved by the Board in November 2018. This report summarizes the main activities and issues addressed by the CAC during 2021

2021 CAC Members:

Davis: Gerry Braun, Yvonne Hunter, Lorenzo Kristov (through October 2021)

Woodland: Mark Aulman, Chris Casey (through May 2021), Christine Shewmaker (Chair)

Unincorporated Yolo County: Marsha Baird, Cynthia Rodriguez (Vice-chair),

Winters : Peter Meyer (through May 2021), Jennifer Rindahl, David Springer

At large members: Lorenzo Kristov (October-December 2021)

Main Activities and Issues Addressed 2021

1. Recommendations to the Board on VCE policy
 1. Encouraging new building electrification
 2. Strategic Marketing Plan
 3. Joining CA Community Power JPA
 4. Three Year Program Plan
2. Reviewed and provided input on critical issues facing VCEA, including:
 1. Power procurement and load forecasting
 2. Finance and budget-related items and rate concerns
 3. CAC structure
3. Organized 2021 task groups to work closely with Staff on pressing issues in key areas driven by the newly adopted Strategic Plan and report back to the full CAC. These were: Legislative/Regulatory, Outreach, Programs, Rates, Members and Decarbonization and Carbon Neutral. (Summary reports on work of task group are in the Appendix.)
4. Welcomed new VCE Staff Edward Burnham in April. Saw the departure of contract attorney Harriet Steiner and staff Tessa Tobar in June 2021.

Conclusion

Over the past year, the CAC has continued to work closely with Staff and has provided considered insights to the Board on issues, both from their represented communities and on the science and practical issues of the work of VCE. The Committee has been closely directed by the newly adopted Strategic Plan and Environmental Justice statement, current financial issues facing VCE, the law surrounding changes to power sources and requirements, deadlines self-imposed and by law, and the community interest in energy direction. The CAC has assisted in providing essential information for changes to power sources mandated by both required and chosen deadlines to further production of clean energy and the necessity to reach carbon neutrality by 2030. These significant and life altering goals have directed the work of the CAC to advise the VCEA specifically on achieving its highest priorities in energy and the business of delivering safe and clean power, critical to the success of VCEA.

Appendix

1. Board Charge to the CAC
2. Task Group Summaries
 1. Legislative/Regulatory
 2. Outreach
 3. Programs
 4. Rates
 5. Carbon Neutral

DRAFT

LEG/REG TASK GROUP 2021 REPORT

Task Group Members: Yvonne Hunter, Lorenzo Kristov, Jennifer Rindahl, Christine Shewmaker

2021 Charge: Work with VCE's lobbyist and VCE staff to:

- Provide feedback, technical information and strategic advice to VCE staff on key legislative and regulatory issues facing VCE and the CCA community in general, including legislation and regulatory issues related to VCE's Strategic Plan and Environmental Justice Statement.
- Provide periodic reports to the CAC about legislation and regulatory issues.
- Solicit recommendations from the CAC on VCE positions on key legislation and proceedings.
- Contribute to VCE's engagement with legislators and other stakeholders.
- Advise VCE staff on CalCCA's regulatory work where and when appropriate.

Highlights of Accomplishments in 2021

During 2021, the Leg/Reg Task Group met bi-weekly with staff and VCE's lobbyist and worked closely with them to:

1. Review pending legislation, provide feedback, technical and policy information, strategic guidance and recommend VCE positions and legislative strategies for pending legislation and regulatory issues.
2. Update the Legislative Platform to incorporate, among other topics, appropriate items from the newly adopted VCE strategic plan and EJ statement for review by the CAC and consideration by the VCE board (in process).
3. Provide input on VCE's engagement with legislators and other stakeholders, especially related to SB 612.
4. Consider key issues for potential legislative engagement in the 2021-2022 legislative session (ongoing).
5. Provide periodic information related to selected regulatory proceedings before the Public Utilities Commission.

Challenges

1. Staying informed about CPUC regulatory activities that affect VCE and other CCAs in the same manner in which the Task Group is informed about legislative issues.
2. Navigating the legislative process during both the COVID pandemic and a budget excess.

Opportunities

1. Continue to engage local stakeholders and other potential partners in advancing VCE's positions on legislative and regulatory issues. Ongoing also opportunity for engaging general public in legislation that benefits CCA, such as SB 612.
2. Incorporate relevant topics from the newly adopted Strategic Plan into the Task Group's work.

**VCE COMMUNITY ADVISORY COMMITTEE
OUTREACH TASK GROUP (OTG)
2021 ACTIVITIES REPORT**

Task Group Members: Mark Aulman (chair), Marsha Baird, Yvonne Hunter

VCE Staff: Rebecca Boyles

2021 Outreach Task Group Charge

- Collaborate with VCEA staff and consultants on community outreach to, and liaison with, member communities
- Assist in the development of public information strategies, planning, and materials related to VCEA policies and programs. As requested by staff, review draft materials and provide comments

Highlights of Accomplishments:

- Reviewed and provided editorial feedback on pre-release marketing materials including NEM communications, VCE Newsletter, and specific collateral projects.
- Reviewed substantial modifications to the VCE website including new topic areas, such as environmental justice and a Spanish language version, as well as program offerings and customer information -- Ohm Connect, Putah Creek solar, electric vehicle information, financial assistance, navigating time-of-use, and 'understanding your bill'.
- Assisted with the development of advertising, including testimonials .
- Consulted on modifications to Call Center operations to help minimize opt-outs.
- Monitored social media for VCE-related postings and replied as needed.
- Continued monthly task group meetings to review near-term project calendar and provided feedback on specific projects.
- Conducted ongoing review of messaging strategies for consistency and appropriateness.
- Maintained contact with member communities to coordinate future opportunities for coordinated outreach.

Lessons Learned – Challenges and Opportunities

Challenges:

- Continuing work is needed to develop targeted messages and communications approaches to specific audience segments.
- Ongoing effort is needed to emphasize environmental justice.
- The regulatory environment has driven Power Content Label adjustments and potential rate changes that are complex and may be difficult to explain to customers.

Opportunities:

- The VCEA Strategic Plan provides the opportunity to promote VCE as a trusted community resource.
- VCE's value proposition will be continually enhanced through the communication of technological advances and program innovations that create benefits for customers, such as new local renewable energy sources and local grid improvements, new battery storage resources, continuing electrification of the built environment, and consumer-focused energy conservation advice.

**VCE COMMUNITY ADVISORY COMMITTEE
PROGRAMS TASK GROUP (PTG)
2021 ACTIVITIES REPORT**

Task Group Members: Marsha Baird (co-chair), David Springer (co-chair)

Primary Staff Contact: Rebecca Boyles

2021 Charge: The CAC Programs Task Group will assist Staff with planning and implementation of Customer Programs that meet the VCE Mission and Strategic Plan. Specifically, the Task Group will:

- (1) collaborate with Staff on 3-year programs plan and annual updates;
- (2) advise on programs budget strategy for CY2021;
- (3) review programs and financial mechanisms (such as rebates, incentives, PACE) and make recommendations of options, with special attention to VCE customer segments, such as agriculture and disadvantaged and underserved; and,
- (4) provide updates at monthly CAC meetings on issues being reviewed by the task group.

Highlights of Accomplishments:

- Reviewed and provided feedback on VCE's 3-year Programs Plan. The Plan includes the goals from VCE's Strategic Plan and a system for prioritizing programs. The Plan was approved by the Board in June 2021 after incorporating input from the CAC.
- Assisted Staff with the development of new VCE programs:
 - Help Avoid Blackouts -- Implemented by Staff with partner OhmConnect. Task group provided input at monthly meetings.
 - Electric Vehicle Rebates – Researched EV rebate programs offered by CCAs and other organizations. Program Design Implementation Form will be reviewed by CAC and then taken to Board for approval with a goal of program implementation in early 2022.
- Brainstormed and discussed with Staff future programs such as Ag Demand Response partnership with Polaris and Dual Fuel Heat Pump Program.
- Continued promotion of news article titled "Flattening the Curve" which serves as an educational piece with ways customers can shift their electricity usage away from peak times.
- Assisted Staff with update of Energy Efficiency Program with 2021 rebate information.

Lessons Learned – Challenges and Opportunities

Challenges:

- Locating sources of funding for programs.
- Limited staff time to develop programs due to lean staffing and other marketing activities and priorities.

Opportunities

- Continue to learn from experiences of other CCAs on programs that have worked well for their customers.
- Research grants and other funding options.

Rate Options Task Group of the VCE CAC

2021 Report

Members

Lorenzo Kristov (chairman), Gerry Braun

Charge

Assist staff, consultants, and the Valley Clean Energy Board Subcommittee as requested, when existing or new rate options are being considered and evaluated.

Help staff evaluate the impact of current and potential rate options on VCE customer responses and other energy choices, including Environmental Justice considerations.

Specific Tasks

1. Conduct CAC Rate Options Task Group meetings and expand participation to other interested CAC members or external experts, as needed.
2. Review rate-related financial analysis conducted by staff and consultants and provide staff with input and feedback.
3. Review proposed staff recommendations regarding rate options, including Net Energy Metering, and provide input and feedback.
4. Inform CAC on rate options and analyses reviewed by the Task Group.

2021 Activities

The Task Group met at least nine times between March and October 2021 with VCE staff Mitch and Edward and VCE consultant Don Dame to understand and discuss VCE's current and evolving financial situation and consider new rate options to address financial concerns.

The March-July meetings were mainly focused on developing scope of work (SOW) details for consultant to evaluate benefits and impacts of adding a third rate option to VCE's offerings, at a lower rate and lower renewable energy content than VCE's existing offerings. The third option would be a "compliance" option whose renewable energy content would minimally comply with state requirements. Following discussion with the task group, VCE issued a task order to SMUD to perform the analysis and provide VCE with the model staff could use to perform additional analyses.

Starting in September the meetings turned to recent and near-term impacts of volatility in VCE's costs for energy and resource adequacy procurement and PCIA, and how those impacts might affect design and timing of introducing the new rate option. This effort remains work-in-progress as of the filing of this report.

2021 CARBON NEUTRAL TASK GROUP YEARLY SUMMARY

Members: Cynthia Rodriguez – Chair, Gerry Braun, Christine Shewmaker, Lorenzo Kristov

VCE Staff: Gordon Samuel

Charge: Assist staff and consultants in evaluating feasibility and creating a road map for both carbon-neutral and carbon-free-hour-by-hour power by 2030. Strategic plan reference goal 2 and 2.5.

Tasks

- Support VCE staff's timetable for performing and completing this effort
- Assist in input for and evaluation of model development
- Evaluate different types of power that can be included in model
- Consider impacts of plan on future IRP
- EJ component – consider importance of some local resources because of impact on local jobs.

Strategic Plan Goals

Goal 2: Manage power supply resources to consistently exceed California's Renewable Portfolio Standard (RPS) while working toward a resource portfolio that is 100% carbon neutral by 2030.

- 2.5: Objective: Study and present options for achieving a 100% carbon neutral resource

Highlights of Accomplishments:

Assisted staff with

- Preparing and keeping to a timeline
- Formulating standard definitions of renewable electricity, carbon free electricity, carbon neutral and hour by hour.
- Preparing an RFO to engage a consultant to prepare 4 portfolios
- Presenting an overview of first six months of work to CAC

Brainstormed with staff on

- Sensitivities to load forecasts such as EV penetration, all electric home impact on load, climate, drought, etc.
- Next steps once we obtain the 4 example portfolios from our consultant (Energeia) - prepare summary of positives and negatives of each portfolio-present to CAC recommendation of which portfolio to use in order of best outcomes -outline time table of advancement of chosen portfolio

- What the ongoing role of a task group will/should be as relates to decarbonization, etc.

Lessons Learned – Challenges and Opportunities

Challenges:

- Creating an RFO to appeal to the largest number of bidding contractors in a suitable price range
- Prioritizing the contractor obligations to craft a plan to reach carbon requirements under law and policy
- Cost competitiveness/affordability of the hour by hour scenarios will most likely be a challenge

Opportunities

- Continue to learn from experiences of other CCAs and LSE on their approaches to carbon neutral and carbon free hour by hour.
- Contact and review other groups' systems and successes arriving at carbon limitations.
- Possible contractors brought information and depth of understanding of available systems
- Various long term storage technologies and approaches may present opportunities.