

# VALLEY CLEAN ENERGY ALLIANCE

## Staff Report – Item 12

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**TO:** Community Advisory Committee

**FROM:** Mitch Sears, Interim General Manager  
Edward Burnham, Director of Finance & Internal Operations

**SUBJECT:** VCE Three-Year Strategic Plan Update (Informational)

**DATE:** April 22, 2021

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### **PURPOSE**

The purpose of this report is to inform the general manager and CAC of the summarized progress on the Strategic Plan goals.

### **BACKGROUND**

The Board ratified the VCE Three-Year Strategic Plan at the November 12, 2020 meeting which incorporates the following schedule for status reporting:

- Quarterly Report to VCE Management  
Staff will report quarterly to the Interim General Manager on the status of goals, objectives and metrics for which they are responsible.
- Annual Report to Board and CAC  
Staff will report annually to the Board and CAC on the status of goals, objectives and metrics, and will recommend any mitigations or amendments as may be necessary for Board approval.

The attached summary is the first quarterly status report which is being shared with the CAC for discussion and feedback.

### **ATTACHMENTS**

1. VCE Strategic Plan 2021 Q1 Status Report



**VALLEY**  
CLEAN ENERGY

# **VCE Three-Year Strategic Plan Update**

**Q1 2021**

# VCE Three-Year Strategic Plan Update



## Goal 1 - FINANCIAL STRENGTH

Maintain grow a strong financial foundation and manage costs to achieve long-term organizational health.

- Objectives:
- 1.1 - Maintain consistently healthy cash reserves to fund VCE’s mission, vision, and goals.
  - 1.2 - Achieve an investment grade credit rating by end of 2024.
  - 1.3 - Commit to fiscal efficiencies to build a program foundation from which to deliver customer and community value.
  - 1.4 - Manage customer rates to optimize VCE’s financial health while maintaining rate competitiveness with PG&E.

Obj.	Key Developments	Planned Activities
1.1	1. Board Approved Arrearage Management Plan January 2021 2. Drafting Collections Policy	Collections Policy submitted for approval Q3 2021
1.2	1. Participated in CCA educational webinar on establishing credit ratings for CCAs 2. budgeted for financial advisor to support process of establishment of first credit rating	Development Timeline for credit rating by Q3 2021
1.4	1. Updated customer rates in February & March to maintain parity with PG&E 2. CAC Rates Task group to develop additional customer rate option	RFP in development with issuance in Q3 2021



## Goal 2 - PROCUREMENT & POWER SUPPLY

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.

- 2.1 - Continue to identify and pursue cost effective local renewable energy resources.
- 2.2 - Acquire sufficient bundled energy and renewable resources to achieve VCE’s greenhouse gas reduction targets.
- 2.3 - Deploy storage and other strategies to achieve renewable, carbon neutral, resource adequacy, and resiliency objectives.
- 2.4 - Identify and pursue cost effective, local distributed energy (e.g., behind the meter rooftop Solar + storage) resources to help meet reliability needs.
- 2.2 - Study and present options for achieving a 100% carbon neutral resource portfolio as well as 100% carbon free resource portfolio (carbon free hour by hour) by 2030.2
- 2.6 - Optimize the hedging strategy to mitigate risk in accordance with the energy risk guidelines and procurement plan.

Obj.	Key Developments	Planned Activities
2.5	In Q1 2021, executed a 90MW PV +75MW BESS 20 yr. PPA which will provide VCE stable low-cost power and resource adequacy.	
2.5	Carbon Neutral Task Group formed and working on developing a scope of work for an outside consultant	RFO to be released by end of April '21



# VCE Three-Year Strategic Plan Update

## Goal 3 - CUSTOMERS & COMMUNITY

Prioritize VCE’s community benefits and increase customer satisfaction and retention.

- 3.1 - Develop engagement strategies to increase awareness of, and participation in, local control of VCE’s energy supply and programs with a particular focus on engaging disadvantaged and historically marginalized communities.
- 3.2 - Develop programs and initiatives to better support community goals, including supporting member agency achievement of energy-sector emissions reduction targets.
- 3.3 - Design and implement a strategy to more effectively engage local business and agricultural customers.
- 3.4 - Build awareness and trust of the VCE brand through direct engagement with customers, communities and organizations.
- 3.5 - Develop customer programs and initiatives that prioritize decarbonization, community resiliency and customer savings.
- 3.6 - Measure and increase customer satisfaction, using tools such as surveys and focus groups, while maintaining an overall participation rate of no less than 90%.
- 3.7 - Integrate and address the concerns and priorities of emerging and historically marginalized communities in the design and implementation of VCE's services and programs.

Obj.	Key Developments	Planned Activities
3.1	4 virtual presentations with Spanish translation; new posts on social media in Spanish; programs survey developed/deployed with special attention to equity issues	
3.2	Provided cost analysis for all member jurisdictions to opt up to UltraGreen	Follow up with city staff
3.4	Staff’s goal is to increase website hits by 25% in 2021 (results: 63% increase in sessions; 33% increase in pageviews; 13% increase in Twitter). Initiated a website refresh, integrating feedback. Analyzed Key Accounts spreadsheets for completeness.	Website refresh Completion
3.5	Staff developing a 3-year Programs Plan. Design Criteria and Programs Process Doc in development.	All documents completed and feedback implemented
3.6	First-ever survey for customer feedback developed and deployed. OTG held focus group meeting. Analyzed opt-out process for misinformation vulnerabilities and made changes: customers will now be routed to a CSR to opt out during business hours.	Hold CSR focus group and monitor opt-out trends.
3.7	Operationalized and publicized Arrearage Management Plan (AMP) including new webpage for customers having trouble paying. Finalizing call-out campaign to provide info to customers having trouble paying. Implemented policy of translating all new material into Spanish. Increased Spanish social media posts. Board approved EJ statement, formed Board Subcommittee Working Group. Staff participation in CalCCA Equity Committee.	Monitor AMP participation. Begin call-out campaign Continue posting in Spanish, measure success Dec 2021.



## Goal 4 - DECARBONIZATION & GRID INNOVATION

Promote and deploy local decarbonization and grid innovation programs to improve grid stability, reliability, community energy resilience, and safety.

- 4.1 - Working with a variety of local, regional and state partners, develop a grid innovation roadmap for VCE’s service territory that supports community energy resilience and reliability.
- 4.2 - Develop a VCE decarbonization roadmap to guide near and long-term program decisions and offerings.
- 4.3 - Increase participation in VCE’s UltraGreen 100% renewable product.
- 4.4 - Identify external funding sources to support decarbonization and grid-related programs and initiatives.

Objective	Key Developments	Planned Activities
4.1	Worked w/ the CAC on a building electrification statement. The Board adopted a statement supporting and encouraging electrification of new buildings.	

# VCE Three-Year Strategic Plan Update



## Goal 5 - REGULATORY & LEGISLATIVE AFFAIRS

Strongly advocate for public policies that support VCE’s Vision/Mission.

- 5.1 - Work with CalCCA and other partners to proactively engage State regulators, legislators, and other State authorities in developing policy that furthers VCE’s mission and facilitates our contributions to decarbonization, grid reliability, energy resiliency, affordability, local programs and social equity.
- 5.2 - Develop relationships with community stakeholder organizations that foster support for VCE’s mission and vision.
- 5.3 - Optimize regulatory compliance activities.

Objective	Key Developments	Planned Activities
5.2	Identify key stakeholder groups within VCE service territory – in process,2. Attended Winters Chamber of Commerce on 4.12.213. Met with Cool Davis to explore formalizing a relationship to work on shared decarbonization and electrification goals.	Initial Stakeholder list by end of Q2 21 Decision around structure to formalize (e.g. MOU)
5.1	Actively engaged in CalCCA sponsored legislation on PCIA – SB 612 (Portantino) Active support of AB 843 (Aguiar-Curry) – access for CCA’s to BioMat resources3. CAC Leg/Reg Task Group – bi-weekly meeting	
5.3	Plug in specific regulatory goals for 2021 - from CalCCA, Including Regulatory Staffing in FY 21-22 budget proposal	



## Goal 6 - ORGANIZATION, WORKPLACE & TECHNOLOGY

Analyze and implement optimal long-term organizational, management, and information technology structure at VCE.

- 6.1 - Develop a roadmap to evaluate and guide future steps toward formation of a local Publicly Owned Utility (POU).
- 6.2 - Evaluate and pursue opportunities for shared services with other CCAs for certain functions.
- 6.3 - Develop an evaluation framework to guide future expansion opportunities beyond the existing service territory.
- 6.4 - Identify optimal management, staffing and contracting structure of VCE in the near and long term; factors include balance of internal staff vs. consultant support services, transition of leadership positions to permanent internal employees.
- 6.5 - Promote diversity, equity and inclusion in leadership, hiring, promotion, and contracting policies.
- 6.6 - Support health, wellness and a productive workplace.
- 6.7 - Create an innovation-focused culture that rewards proactive participation, problem solving, new ideas, and creative use of partnerships.
- 6.8 - Deploy a modernized IT infrastructure that enables knowledge management, analytics and collaboration through robust use of data and information resources.

Objective	Key Developments	Planned Activities
6.1	Engaged Don Dame to prepare process outline – technical steps Outreach to CMUA	
6.2	Joined CC Power – “Super JPA” for joint procurement with other CCA’s Outreach to City of Stockton RE: City’s feasibility study	
6.3	Research other CCA expansion evaluation methods in process.	
6.4	Onboarding Director of Finance & Internal Operations	Budgeted (1) half time regulatory Analyst and (1) Intern for Marketing and Support
6.8	Working with County of Yolo GIS team on developing VCE platform for Dashboarding and GIS Mapping	