

VALLEY CLEAN ENERGY ALLIANCE

Staff Report - Item 15

TO: Board of Directors

FROM: Mitch Sears, Executive Officer
Rebecca Boyles, Director of Customer Care and Marketing
Sierra Huffman, Program and Community Engagement Analyst

SUBJECT: Receive progress update on VCE 3-Year Programs Plan and 2023 program concepts

DATE: October 13, 2022

REQUESTED ACTION

Informational item. The purpose of this report is to give an update on the status of VCE's 3-Year Programs Plan and an introduction to program concepts being discussed for 2023 implementation.

BACKGROUND

In June 2021, the VCE Board approved the 3-Year Programs Plan (3YPP), including the methodology by which potential programs are scored and ranked for implementation. Programs most aligned with VCE's mission, vision and Strategic Plan scored higher, and thus are prioritized for implementation, while those that score lower are not slated for implementation, but may be reconsidered at a later time. Criteria include greenhouse gas (GHG) mitigation, ease of implementation, and customer satisfaction, among others. Staff and the Programs Task Group (PTG) also evaluate other CCA programs in the process.

UPDATE

Since the approval of the 3YPP, staff has implemented 4 new pilot programs: the Heat Pump Program, the Agricultural Flexible Irrigation Technology (AgFIT) program, the OhmConnect partnership, and the Electric Vehicle Rebate Program. Staff has continued with the Electrify Yolo grant from the Sacramento Area Council of Governments, in which VCE is partnering with all jurisdictions to install electric vehicle chargers for public use. That program is underway and due to be completed by all jurisdictions in December 2023. The Energy Efficiency Resources graphic was updated and translated it into Spanish. VCE's EV Educational Resources underwent a refresh in Spring 2022, and is also available in Spanish.

Heat Pump Program

VCE's Heat Pump Pilot launched in June 2022, and staff held the first contractor-focused webinar on June 2nd. The webinar focused on getting customers access to rebates and incentives for heat pump water heaters, demystifying heat pumps, and dispelling misinformation. The event was successful and well-attended. The video of the webinar is up on VCE's website.

AgFIT

AgFIT launched August 31 with an initial set of 8 pumps, and enrolled the remaining pumps through August. Though implementation was challenging, launch was smooth. Data is still very preliminary, but customers are already seeing successful load shift out of peak hours, which should translate into modest savings. VCE has enrolled about 1.8MW out of a 5MW cap, and recruitment for the 2023 growing season has begun.

OhmConnect

VCE continued its second year of partnership with OhmConnect, in which customers can sign up to shift their electric load at peak times of stress for the grid, and receive cash and other incentives for participating. The 2022 spring campaign yielded 132 utility connected accounts, a fantastic utility connection rate of 88% of all who signed up for the service. For the summer campaign (emails went out to over 30,000 customers in early September), the incentives are higher as customers can receive a \$50 sign-up bonus, as well as ongoing cash and rewards for participating. The program will continue throughout the year but peaks in late summer/early fall.

Electric Vehicle (EV) Rebate Program

VCE's EV Rebate program launched on September 19, 2022. The program provides rebates for new or leased vehicles to customers as follows: \$2000 for a plug-in hybrid; \$2500 for a battery electric vehicle; or \$4000 for either a plug-in hybrid or battery electric vehicle for income-qualified customers. The program is being widely promoted through print and digital ads, as well as at events and through partnerships with community-based organizations.

2023-2024 Program Concepts Under Consideration

Staff, in consultation with the Programs Task Group (PTG), is planning program activity for 2023-2024. Some of the program concepts under consideration include:

- Continuing the OhmConnect partnership
- Phase 2 of the EV Rebate Program, potentially including used vehicles for rebates
- Phase 2 of the Heat Pump Program, potentially including rebates for heat pump installations
- Energy efficiency rebates for low-income customers
- Home energy ratings
- Agricultural electrification
- Self-Generation Incentive Program (SGIP)
- Workforce Development

All program concepts will be tested with Board-approved methodology for suitability for implementation, and the CAC will receive program concepts for review and feedback before concepts go before VCE's Board of Directors.

ATTACHMENT:**Summary of Programs included in VCE's 3-Year Programs Plan**

Attachment A:

Summary of Programs included in VCE's 3-Year Programs Plan

Progress updates since Board approval (June 2021) are noted **in red**.

Phase 1: *Ongoing or to be initiated within the next year*

1. Maintain and Enhance EV Educational Resources (PS1);
Updated and ongoing
2. Deployment and Promotion of Electric Vehicle Charging Stations (EVCS) (PS1);
Ongoing
3. Maintain and Enhance Educational Energy Efficiency Resources (PS2);
Updated and Ongoing

Phase 2: *Potential to be initiated within one to three years*

1. Agricultural Auto-Demand Response (PS2);
Launched and ongoing (AgFIT)
2. Demand Response and Free Thermostat for Residential Customers (PS2);
Launched and ongoing (OhmConnect partnership)
3. Agricultural Electrification (PS1);
4. Promote Dual Fuel Heat Pumps for Space Conditioning (PS1);
Launched and ongoing
5. All Electric Awards Residential and Commercial Program (PS1);
6. Electric Vehicle Rebates for Lower-income Customers (PS1);
Launched and ongoing
7. Provide Information on Self-Generation Incentive Program (SGIP) (PS2);

Phase 3: *No defined start date for action, likely longer than two years*

1. Electric Vehicle Ride and Drive Events in VCE Territory (PS1);
Participating September 25, 2022, and ongoing
2. Promote Induction Cooking as a Healthier, Climate-Friendly Alternative to Fossil Gas (PS1);
3. Disadvantaged Communities Green Tariff Program (DAC/GT) (PS1);
Considered; staff determined participation would not be feasible for VCE
4. Increase DC Fast Charger Deployment (PS1);
5. Expansion of Charging for Multifamily Apartments (PS1);
6. Develop a Residential and Commercial Battery Storage Program (PS2);