

# VALLEY CLEAN ENERGY ALLIANCE

## Staff Report – Item 16

---

**TO:** Board of Directors

**FROM:** Mitch Sears, Interim General Manager  
Rebecca Boyles, Director of Customer Care and Marketing  
Tessa Tobar, Program and Community Engagement Specialist

**SUBJECT:** Valley Clean Energy's Program Design and Review Process

**DATE:** June 10, 2021

---

### RECOMMENDATIONS

1. Adoption of VCE's 3-Year Programs Plan, including the process by which programs are selected by VCE for implementation.
2. Approve Demand Response and Free Thermostat for Residential Customers pilot program.

### OVERVIEW

The purpose of this report and agenda item is to seek adoption of VCE's 3-Year Programs Plan, which is designed to guide VCE's program development and implementation over the next three years. Staff is also seeking adoption of the process by which program concepts are chosen for implementation, including the draft Preliminary Program Design/Implementation Forms. Staff is also recommending approval of the Demand Response and Free Thermostat for Residential Customers pilot program.

Once the draft Programs Plan and program selection process are adopted, staff will return at a subsequent meeting with completed Preliminary Design/Implementation Forms for program concepts that have scored high on the Program Design Criteria, and are proposed for implementation within the next year. Staff will provide an update to the 3-Year Programs Plan annually. Since program opportunities sometimes arise outside of the timing of the annual planning process, staff may submit Preliminary Program Design/Implementation Forms for program concepts outside of the regularly scheduled annual updates.

### BACKGROUND

At the Community Advisory Committee's (CAC) May 27, 2021 meeting, VCE's 3-Year Programs Plan was reviewed, including the draft Plan and its phases and strategies. The CAC also discussed the process program concepts would go through on their way to potential implementation and the draft Preliminary Design/Implementation Forms. The CAC unanimously recommended that the Board adopt the 3-Year Programs Plan, including the process by which programs are selected by VCE for implementation. This was the second conversation with the CAC on the Plan; staff presented the 3-Year Programs Plan outline to the CAC at their March meeting, providing two opportunities for substantive feedback and public comment on the structure and direction of the draft Plan.

The CAC provided feedback that staff will, or already has, adopted including: a recommendation to remain abreast of PG&E's programs offerings, potentially encouraging participation in PG&E programs where there is no program overlap; offers by two CAC members to assist with grant applications to increase programs resources; and the request for detailed information regarding program eligibility, demographics, and impact on environmental justice to be included in the Preliminary Design/Implementation Forms when they are submitted to the CAC and the Board.

### **PROPOSED PROGRAMS PLANNING AND IMPLEMENTATION PROCESS**

The Programs Task Group (PTG) of the CAC met with staff eight times (twice the regular cadence), between March and May to develop and review the process by which programs are proposed and advanced toward implementation. Staff and the PTG felt strongly about developing a systematic approach to the programs planning process to identify the highest value programs that could realistically be implemented by VCE in a reasonable amount of time. Additionally, staff and the PTG designed an evaluation system that can be repeated in subsequent years. To that end, the following process is proposed:

- **3-Year Programs Plan** adopted by the Board of Directors
- Potential programs are run through the **Program Design Criteria** (descriptions in Attachment B) and each program concept is ranked as to how well it meets the weighted evaluation criteria.
- Staff determines the highest-ranked program(s) recommended for implementation in the next fiscal year (Note: many programs will be multi-year or on-going).
- Consistent with the **Programs Plan** phasing strategy (Section IV.2. in the 3-Year Programs Plan) staff develops **Preliminary Program Design/Implementation Forms** for proposed program(s) in Phases 1 and 2 with program details including customer eligibility, marketing, education and outreach (ME+O) strategy, and estimated budget and staff time impact.
- For programs in Phase 1 or 2 with completed **Preliminary Design/Implementation Forms**, staff will seek a recommendation from the CAC and return to the Board for action on individual programs on an annual basis, or as program opportunities arise throughout the year.
- Staff will evaluate and report on program performance on an annual basis, and modify programs as needed.

### **3-YEAR PROGRAMS PLAN**

The 3-Year Programs Plan was developed as a roadmap for program implementation. Main elements include:

- Executive Summary
- Background
- Current Programs Overview
- VCE's Commitment to Environmental Justice
- Program Strategies and Goals Addressed
- Community Reinvestment
- Evaluation Plan
- Summary of Phases

- Phase 1: *Ongoing or to be initiated within the next year*
- Phase 2: *Potential to be initiated within one to three years*
- Phase 3: *No defined start date for action, likely longer than two years*
- Program Strategy One: *Promote the Electrification of Transportation, Residential and Commercial Buildings, and Agricultural Operations*
- Program Strategy Two: *Encourage and Incentivize Energy Efficiency, Demand Response Flexibility, and Resiliency*

It should be noted that Program Phases denote how close to implementation the programs are (whether funding is easily and quickly available; how far along is staff on any contracts that need to be signed, etc.). Program Phases do not denote program priority, and programs in Phases 2 and 3 may be advanced as clarity around funding and implementation becomes available. Note: A full update of the 3-Year Programs Plan would take place in 2024.

### **PROGRAMS DESIGN CRITERIA AND DECISION-MAKING**

The Programs Design Criteria Framework included in the Plan was developed after researching decision support systems employed by other CCAs including Sonoma Clean Power, MCE and Central Coast Community Energy. Like the other CCAs, VCE's approach to program design and implementation includes a decision-making process that ranks programs for implementation based on their alignment with VCE's Vision, Mission and Strategic Plan goals. Additionally, the Criteria consider the financial and staff resources available (or anticipated to be available), to successfully implement the program.

Alignment with VCE's Strategic Plan is the criteria with the highest weight, meaning that programs demonstrating high alignment with the goals laid out in VCE's Strategic Plan will rank higher in the consideration of program implementation. Staff and the PTG concluded that the Strategic Plan goals were an effective proxy for VCE's overall goals, capturing elements such as customer/community, environmental, and equity benefits that a particular program may deliver. Staff and the PTG originally started with nine criteria with which to evaluate VCE programs, influenced by sister CCAs' programs review processes. After VCE staff review and further feedback from the PTG, the criteria list was reduced to three to simplify the selection process (criteria defined in Attachment 2):

- **Availability of Funds** (25%)
- **Staff Time** (25%); and
- **Strategic Plan Alignment** (50%), with nested criteria:
  - Potential to reduce GHG emissions
  - Customer satisfaction
  - Addresses Environmental Justice
  - Regulatory and legislative alignment
  - Strategic partnerships

Over the past 2 months, staff and the PTG have worked to finalize the draft Program Design Criteria and review scoring of potential programs. Considerable time and care were taken in the final review of the draft Program Design Criteria, as it is the main tool for decision-making, determining which programs will go forward to the implementation phase. Staff and the PTG

then evaluated the programs in Phases 1 and 2 (phases closer to implementation) and ran them through the draft Program Design Criteria framework. Staff ran multiple scenarios, testing weights and scores of programs, and reviewed the findings with the PTG to calibrate the final draft Program Design Criteria.

### **PROGRAM PRELIMINARY DESIGN/IMPLEMENTATION**

Over the past year, staff worked together with the PTG to identify potential programs by researching programs offered by other CCAs, the investor-owned utilities, and analyzing potential funding sources. After compiling a list, staff and the PTG vetted the program concepts for suitability in meeting the unique needs of customers in VCE's territory, and in aligning with the climate goals of VCE's member jurisdictions. These program concepts were then assigned a phase according to how likely they were to be implemented within the three-year time horizon of the Plan based on available funding and ease of implementation (Phase 1 being the soonest, then Phase 2; Phase 3 programs are only in the conceptual phase).

Phase 1 and Phase 2 program concepts were then run through the draft Design Criteria to decide which were most closely aligned with VCE's goals. After running the set of program concepts through the draft Design Criteria, three program concepts rose to the top of the rankings: Electric Vehicle (EV) Rebates for Lower-income Customers, Auto-Demand Response (AutoDR) with Agricultural Customers, and Demand Response and Free Thermostats for Residential Customers.

These three programs scored relatively high due to their general alignment with Strategic Plan goals, relative ease of implementation (e.g. already being done by other CCAs and/or successfully piloted), and the potential for outside funding to supplement VCE program funding. Staff will continue to advance the three programs noted above since work is ongoing and they can be incorporated into the 3-Year Programs Plan if adopted.

### **PILOT PROGRAM: DEMAND RESPONSE AND FREE THERMOSTAT FOR RESIDENTIAL CUSTOMERS**

This program concept would involve VCE staff working in partnership with OhmConnect in a pilot program to provide free smart thermostats to customers and encourage participation in OhmConnect's existing demand response platform. OhmConnect received a \$3M grant from the California Energy Commission in April to execute this type of demand response program as part of the State's efforts to avoid heat-related power outages this summer. Participating VCE customers would receive a free thermostat (or other smart device) and would accrue financial rewards based on participating in load reduction events. VCE's role would primarily be marketing and outreach for program recruitment and event days.

As designed and detailed in the attached Preliminary Program Design/Implementation Form (Attachment 3), the pilot program will have negligible direct fiscal impact because it would not require any funds from the Programs Budget. OhmConnect would draft all marketing and outreach materials, and VCE staff would edit as desired and send to customers, as well as reach out to city and county officials with whom to potentially partner in this effort. OhmConnect manages the delivery, maintenance, and technical support for the smart devices. Staff is recommending approval of this pilot program to respond to the need for load shed programs ahead of summer 2021, as encouraged by the State. Additionally, it offers VCE a low-cost

opportunity to test and evaluate its capacity to execute a demand response program in its service territory. Based on the performance of the pilot program, staff may seek Board approval at a later date to expand program participation as staff resources allow. There would be some impact on staff time to implement the pilot program; however, OhmConnect has partnered with other CCAs to run similar programs and has a reputation for being a reliable, organized program partner that works effectively with resource constrained CCAs.

The goal of the pilot program is to recruit 300 VCE residential customer participants with the number of thermostats installed and kWh of load shed as a result of program participation being the key metrics used to measure program performance. The pilot program is anticipated to run through the end of 2021.

### **FISCAL IMPACT**

There is no direct fiscal impact associated with the recommended action. Staff will provide potential fiscal impacts in Program Preliminary Design/Implementation Forms for each program when brought back to the Board for consideration.

### **CONCLUSION**

Staff is recommending that the Board of Directors adopt the draft 3-Year Programs Plan, including the proposed programs design and review process. Staff is also recommending approval of the Demand Response and Free Thermostat for Residential Customers Pilot program.

### **Attachments**

1. Draft 3-Year Programs Plan
2. Draft Program Design Criteria Descriptions
3. Preliminary Program Design/Implementation Form: Demand Response and Free Thermostat for Residential Customers Pilot



# Valley Clean Energy

## 3-Year Programs Plan

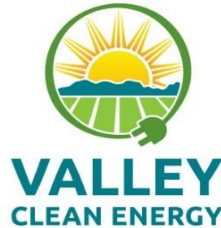
**June 2021 – June 2024**

May 27, 2021



## TABLE OF CONTENTS

EXECUTIVE SUMMARY .....	3
I. BACKGROUND .....	3
II. CURRENT PROGRAMS OVERVIEW .....	4
III. KEY CONSIDERATIONS IN PLAN DEVELOPMENT .....	5
1. VCE'S COMMITMENT TO ENVIRONMENTAL JUSTICE .....	5
2. COMMUNITY REINVESTMENT .....	5
3. COMMUNITY ENGAGEMENT .....	6
IV. PLAN ORGANIZATION .....	7
1. PROGRAM STRATEGIES .....	7
2. PROGRAM PHASING .....	7
V. PLAN/PROGRAMS EVALUATION .....	9
PROGRAM STRATEGY ONE (PS1) .....	10
PROGRAM STRATEGY TWO (PS2) .....	15
APPENDIX 1: ACRONYMS .....	18
APPENDIX 2: VALLEY CLEAN ENERGY STRATEGIC PLAN GOALS RELATED TO PROGRAMS .....	19



## EXECUTIVE SUMMARY

In 2020, Valley Clean Energy (VCE) crafted a Strategic Plan to better guide its organizational mission, vision, and strategies. The plan was adopted by the Board of Directors after significant feedback from the VCE Board, consultants, the Community Advisory Committee (CAC), and staff. The Strategic Plan lays out six goals and 32 objectives, and these goals are meant to guide VCE staff, the board, and the CAC in planning and decision-making for the next three years.

This Programs Plan is intended to complement VCE's Strategic Plan, to provide more details on programs to be developed over the next three years to support VCE's member communities. To accompany the Programs Plan, tasks will be tracked in a project management system so that the team can connect the strategic vision with their day-to-day tasks.

The Programs Plan focuses on two main strategies; to:

- 1) Promote the electrification of transportation, residential and commercial buildings, and agricultural operations.
- 2) Encourage and incentivize energy efficiency, demand response flexibility, and resiliency.

These strategies and goals will guide the development, deployment, and evaluation of VCE programs in the coming years. In particular, the Programs Plan seeks to advance: **Goal 3: Prioritize VCE's community benefits and increase customer satisfaction and retention** and its corresponding Objectives 3.1. – 3.7; and **Goal 4. Promote and deploy local decarbonization and grid innovation programs to improve grid stability, reliability, community energy resiliency, and safety;** and corresponding Objectives 4.1. – 4.4. For a complete listing of the relevant objectives, see Appendix 3.

To ensure operational effectiveness, and alignment with the Strategic Plan, the Programs Plan will be reviewed by the Programs Task Group, the Community Advisory Committee, and the Board of Directors prior to adoption.

## I. BACKGROUND

Valley Clean Energy Alliance—or VCE—started serving customers in June 2018 and is the official electricity provider for customers in the municipalities of Woodland, Davis, Winters, and unincorporated Yolo County. VCE purchases clean electricity and PG&E delivers the electricity through their distribution system (poles and wires).

VCE is locally controlled by a Board of Directors that is comprised of elected officials from the member jurisdictions. VCE maintains program control and revenues at home, where it can





create jobs and build local clean energy installations—as many other California Community Choice Aggregation programs (CCAs) have already done. Whenever possible, VCE will reinvest dollars to boost the local economy by providing dividends and programs, while fostering a clean energy future.

In the first two+ years of operation, VCE has implemented the initial phase of programs primarily focused on educating customers about electric vehicles, energy efficiency, and PG&E incentive programs. This 3-year programs plan outlines programs to be delivered to the community and customers in the coming years as well as programs under consideration.

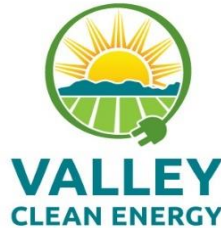
## II. CURRENT PROGRAMS OVERVIEW

VCE staff is working closely with the Community Advisory Committee (CAC), particularly the Programs Task Group, and the VCE Board to help guide program development. Based on input from the CAC and the VCE Board, and recommendations from VCE staff, initial programs will focus on both building and transportation electrification and energy efficiency. Supporting program areas will include demand response and energy storage technologies that will favorably impact Resource Adequacy (RA) costs. Electrification and energy efficiency programs will target multiple customer segments including residential, commercial, agricultural, and industrial.

Due to increases in the Power Charge Indifference Adjustment (PCIA) and Resource Adequacy costs, initial program funding has been limited. For that reason, initial activities have been focused on low-cost programs that provide education of electrification and energy efficiency. Action in future years will be scaled with available funding. Additionally, VCE staff and the Programs Task group will be identifying supplementary funding opportunities from the state, the federal government, and other sources that will support a **Programs Fund Bank** to enable VCE to implement enhanced programs.

For each program, a Preliminary Program Design/Implementation Form will be developed with budget, timing, and metrics defined. VCE Staff will bring the Design/Implementation Form to the CAC and the Board for input and budget approval. The program tasks will be input and tracked in Monday.com.

Over the next several years it is expected that the PCIA will stabilize, per customer power procurement costs will go down, and these trends will free up additional funds for reinvestment in customer programs. Other key contextual factors that inform the Programs Plan include:



- Ongoing impacts of the pandemic
- Social equity challenges, particularly in light of COVID-19 related economic turmoil
- The climate crisis and member jurisdictions' increasingly robust Climate Action Plans, which include energy and EV elements related to VCE operations
- Innovative program models being advanced by other CCAs
- Potential grant funding opportunities and public/private partnerships.

### III. KEY CONSIDERATIONS IN PLAN DEVELOPMENT

#### 1. VCE'S COMMITMENT TO ENVIRONMENTAL JUSTICE

VCE is committed to promoting equitable outcomes for all customers, including vulnerable, low-income, and disadvantaged communities and communities of color. VCE is prioritizing equity and environmental justice in its programs by ensuring that rates for all customers remain affordable and competitive and that all qualifying low-income customers are fully enrolled in CARE rates and other discount programs and incentives.

On October 10, 2020, the Board of Directors unanimously approved VCE's Statement on Environmental Justice. The Statement is posted to VCE's web site at: [Valley Clean Energy's Draft Statement on Environmental Justice](#).

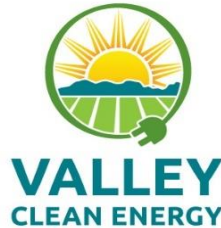
Consistent the Statement, VCE will continue to explicitly integrate and address the concerns and priorities of emerging and historically marginalized communities in the design and implementation of VCE's services and programs – to ensure *all* of our customers are well served.

To this end, VCE has been an active member of CalCCA's Equity Committee, which shares best practices for CCA programs, community engagement, and internal policies that focus on environmental justice and prioritize equitable outcomes for all customers. In an effort to highlight which VCE programs have been curated with an enhanced emphasis on environmental justice, look for the VCE Environmental Justice badge under [PROGRAM STRATEGY ONE](#) and [TWO](#).



#### 2. COMMUNITY REINVESTMENT

The opportunity for community reinvestment is one of several universal benefits associated with forming a CCA program. CCAs are in a unique position to promote equitable access to and significant local participation in decisions related to the energy sector. In addition to the two



main program strategies, VCE places a priority on reinvestment in the communities it serves. The two main programs VCE currently has in place that are focused on this priority are the Customer Dividend and NEM Donation programs described below.

- The **NEM (Net Energy Metering) Donation** program launched in January 2021. NEM customers are given the option to donate any credits they have from excess electricity generation to local charities. Upon launch, customers with over \$100 in their credit balance were eligible to participate. VCE is evaluating changing the program to allow NEM customers with less than \$100 in credits to participate.
- The VCE **Customer Dividend Program** is designed to reward VCE customers by sharing the benefits of VCE's positive financial performance after specific financial targets have been met. The dividend will be based on VCE's fiscal year net revenues determined by the VCE Board. VCE customers are automatically enrolled in the program once it becomes active. The program is not currently active.

The Programs Plan provides a foundation to establish additional programs that advance VCE's community reinvestment goals.

### **3. COMMUNITY ENGAGEMENT**

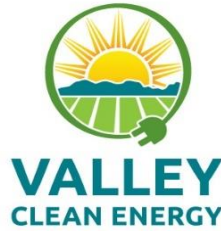
VCE was created by and for the communities it serves. For this reason, VCE staff has begun the process of conducting stakeholder outreach to determine community priorities as it relates to VCE programs.

Generally, "Community Priorities" are unique attributes or impact areas that describe program outcomes that the public has identified as being most important. Community Priorities are one aspect of determining and identifying which programs would benefit VCE customers the most. To collect input on these priorities, VCE will conduct periodic surveys to enhance its understanding of customer and community priorities. VCE will provide links to community surveys to the VCE Board and CAC members in an effort to target the community and customer segments they represent to solicit feedback on program priorities.

This strategy aligns with the following goal and objective of VCE's Strategic Plan:

**Goal 3.** *Prioritize VCE's community benefits and increase customer satisfaction and retention.*

3.6 **Objective:** *Measure and increase customer satisfaction, using tools such as surveys and focus groups, while maintaining an overall participation rate of no less than 90%.*



Furthermore, VCE intends to solicit responses by providing the surveys via VCE’s social media, website, quarterly newsletter, key stakeholders, City and County officials, personal and professional connections, and diverse and/or underserved community groups.

#### IV. PLAN ORGANIZATION

##### 1. PROGRAM STRATEGIES

The Programs Plan is organized around two basic program strategies that guide action and investment over the next three years:

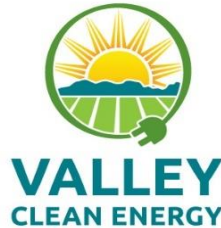
- 1) Promote the electrification of transportation, residential and commercial buildings, and agricultural operations; and
- 2) Encourage and incentivize energy efficiency, demand response flexibility, and resiliency. These general strategies provide a frame for the types of programs that VCE will be focused on over the next several years.

##### 2. PROGRAM PHASING

Program Phasing provides a set of factors that VCE will use to make high level evaluations of potential programs. Three Phases are established that help group potential programs by degree of readiness, availability of resources for implementation, and impact. The Program Phasing system is shown in Table 1 below.

**Table 1 – Program Phasing System**

Phase 1	Phase 2	Phase 3
<p>Ongoing or to be initiated within the next year.</p> <ol style="list-style-type: none"> <li>1. Achievable in the near-term.</li> <li>2. Funding and other resources are available.</li> <li>3. Building the foundation for ongoing a future project.</li> </ol>	<p>To be initiated within one to three years.</p> <ol style="list-style-type: none"> <li>1. Anticipated, yet not immediate, deadline.</li> <li>2. Funding requirements to be determined and funding sources identified or in development.</li> <li>3. Necessary for planning and development of long-term actions.</li> </ol>	<p>No defined start date, likely longer than two years.</p> <ol style="list-style-type: none"> <li>1. In the conceptual phase.</li> <li>2. Additional information needed to inform an operational plan.</li> <li>3. Funding not yet available.</li> </ol>



The initial set of potential programs identified by VCE have been evaluated using the Program Phasing system outlined in Table 1 and are listed below. Each potential program is identified as either Program Strategy 1 (PS1) or Program Strategy 2 (PS2) and is described further in Appendix 1.

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

1. [Maintain and Enhance EV Educational Resources \(PS1\);](#)
2. [Deployment and Promotion of Electric Vehicle Charging Stations \(EVCS\) \(PS1\);](#)
3. [Maintain and Enhance Educational Energy Efficiency Resources \(PS2\);](#)

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

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

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

1. [Electric Vehicle Ride and Drive Events in VCE Territory \(PS1\);](#)
2. [Promote Induction Cooking as a Healthier, Climate-Friendly Alternative to Fossil Gas \(PS1\);](#)
3. [Disadvantaged Communities Green Tariff Program \(DAC/GT\) \(PS1\);](#)
4. [Increase DC Fast Charger Deployment \(PS1\);](#)
5. [Expansion of Charging for Multifamily Apartments \(PS1\);](#)
6. [Develop a Residential and Commercial Battery Storage Program \(PS2\);](#)

### **3. Program Preliminary Design/Implementation Form**

All Phase 1 and certain Phase 2 programs with a high degree of readiness, availability of resources for implementation, and/or impact will be further analyzed using the Program Preliminary Design/Implementation Form. The Form is designed to provide the level of detail necessary for VCE to make an informed decision on the feasibility of implementation and priority of a particular program. A sample Program Preliminary Design/Implementation Form is included as Appendix 2.

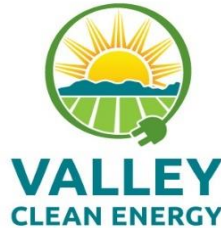


## **V. PLAN/PROGRAMS EVALUATION**

A Plan evaluation report will be completed annually with outcomes and recommendations presented to the Board.

The programs selected for implementation will be evaluated annually. The evaluation will include recommendations for program improvements including adjustments to future year goals, budgets, marketing plans, and other recommendations to improve program performance and customer satisfaction. On a more regular basis VCE staff and the PTG will reassess opportunities and feasibility of programs listed under the Phases one, two and three based on community feedback, budget, and VCE Board and CAC feedback. Metrics to assess program performance and strategies for collecting feedback from program participants will be incorporated into each Program Preliminary Design/Implementation Form. Underperforming programs will be evaluated for improvement or early cessation.

DRAFT



## PROGRAM STRATEGY ONE (PS1)

### Promote the Electrification of Transportation, Residential and Commercial Buildings, and Agricultural Operations

This strategy aligns with the following goals and objectives of VCE's Strategic Plan:

**Goal 3.** *Prioritize VCE's community benefits and increase customer satisfaction and retention.*

- 3.2 **Objective:** *Develop programs and initiatives to better support community goals, including supporting member agency achievement of energy-sector emissions reduction targets.*
- 3.5 **Objective:** *Develop customer programs and initiatives that prioritize decarbonization, community resiliency and customer savings.*

**Goal 4.** *Promote and deploy decarbonization and grid innovation programs to improve grid stability, reliability, community energy resilience, and safety.*

- 4.1 **Objective:** *Working with variety of local, regional, and state partners, develop a grid innovation roadmap for VCE's service territory that supports community energy resilience and reliability.*

#### Phase 1 Programs:

##### Maintain and Enhance EV Educational Resources

- Project:** VCE offers educational resources and access to third party incentives to help customers switch to driving an EV, including information on: EV Benefits, EV Facts, Savings Calculator, CO2 Reduction Calculator, EV Model Options (and comparison tool), EV Credits and Rebates, and a Charger Locator.
- Status:** Tools and materials currently available on <https://valleycleanenergy.org/electric-vehicles/>.
- Metric:** Number of unique visits and engagement time on website.
- Goal:** 200 unique visits and an average of 2 minutes spent on the website and subsequent tools.
- Timeframe:** Launched December 2019. Program is ongoing.





### Deployment and Promotion of Electric Vehicle Charging Stations (EVCS)

- Project:** VCE was awarded a \$2.9M grant from the Sacramento Area of Council of Governments (SACOG) for installation of electric vehicle charging infrastructure and mobility hubs in Yolo County in partnership with the cities of Davis, Woodland, Winters, and unincorporated Yolo County.
- Status:** VCE has finalized MOUs with the City of Davis and Winters for installation of the EV Charging Stations. All projects are expected to be fully installed by 2022.
- Metric:** Number of EV chargers installed throughout jurisdiction.
- Goal:** 45 EV chargers installed.
- Timeframe:** Grant awarded 2019. MOUs complete in 2021. Installations complete 2023.

### Phase 2 Programs:

#### Agricultural Electrification

- Project:** Enable customers to access agriculture incentives for upgrading from existing fossil gas farming equipment to fuel switching farming equipment such as tractors, forklifts, diesel-powered irrigation pumps, light/heavy duty trucks, coolers/boilers and more. Consider implementation of program model from Central Coast Community Energy. A simple application process would be designed for busy ag customers in mind.
- Status:** VCE met with Programs Manager at Central Coast Community Energy (3CE) to discuss 3CE's recent pilot Agriculture Program (launched July 2020). Project concept has been vetted by PTG, CAC, and internal staff.
- Metric:** Number of ag customers/ projects and GHG emissions reduced
- Goal:** TBD
- Feasibility:** High likelihood of implementation.
- Timeframe:** 2021-2022



#### Promote Dual Fuel Heat Pumps for Space Conditioning

- Project:** When an air conditioner reaches the end of its useful life it can be replaced with a heat pump while retaining the furnace for backup heat. The incremental cost is minimal, it avoids the need to add a 230V circuit for the indoor unit, and natural gas use for heating can be nearly eliminated. This is an affordable, low risk first step toward electrification. Phase I activities will include developing and disseminating information resources on customer and climate advantages. Late Phase I and Phase II activities will include a pilot demonstration.
- Status:** Under development
- Metric:** Number of air conditioners replaced annually and GHG reductions





**Goal:** Five pilot project sites by end of 2021 or early 2022, launch program in 2022.  
**Feasibility:** No technical barriers, strong likelihood of success  
**Timeframe:** 2021-2022

#### All Electric Awards Residential and Commercial Program

**Project:** VCE staff conducted preliminary research on an “All Electric Awards Program” for residential and commercial customers, similar to Silicon Valley Clean Energy (SVCE). VCE is considering showcasing all electric homes, businesses, or gas-to-electric conversions on the VCE website under Programs to inspire and educate VCE customers.  
**Status:** In concept development  
**Metric:** Number of homes and businesses highlighted on VCE website.  
**Goal:** 10  
**Timeframe:** 2021-2022

#### Electric Vehicle Rebates for Lower-Income Customers

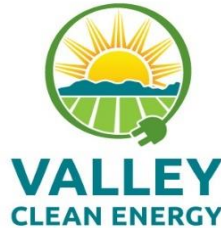
**Project:** Develop program infrastructure and disburse rebates for Electric Vehicles to income-qualifying customers for a limited time (approx. 3 months)  
**Status:** Draft Preliminary Program Design/Implementation Form  
**Metric:** Number of EVs procured with rebates.  
**Goal:** TBD  
**Feasibility:** High likelihood of implementation.  
**Timeframe:** TBD but likely to begin program implementation by August 2021



#### Phase 3 Programs:

##### Electric Vehicle Ride and Drive Events in VCE Territory

**Project:** Develop relationships with Ride and Drive event producers, local EV drivers, and car dealerships to host a free Ride and Drive event to promote the adoption of EVs in the VCE service territory.  
**Status:** Concept in development. Proposal will be requested from at least two Ride and Drive event producers.  
**Metric:** Number of Ride and Drive participants. Number of EVs purchased within six months of participating in Ride and Drive (if data is available – will depend on program investment level and event producer. Historic average is 12% of Ride and Drive event attendees purchase an EV within six months of the event.)



**Goal:** X event participants per Ride and Drive event. X events per year. X % of attendees procure an EV within six months.  
**Feasibility:** High likelihood of implementation once conditions allow  
**Timeframe:** TBD

Promote Induction Cooking as a Healthier, Climate-Friendly Alternative to Fossil Gas

**Project:** Enable customers to access electric induction stove incentives for upgrading from existing fossil gas cooktops and for new construction and kitchen remodels. Consider implementation of program model from Sonoma Clean Power which includes access to loaner induction cooktops.  
**Status:** Currently outreaching to Building Decarbonization Coalition, partner CCAs, and PG&E to create VCE-specific program plan.  
**Metric:** Number of induction stove tops provided to VCE customers on a loan/rental basis. Number of induction stove incentives provided.  
**Goal:** TBD  
**Feasibility:** High likelihood of implementation.  
**Timeframe:** TBD

Disadvantaged Communities Green Tariff Program (DAC/GT)

**Project:** This California Public Utilities Commission program enables income-qualified residential customers who live in disadvantaged communities (DACs, as defined in the State’s CalEnviroScreen tool) to benefit from utility-scale clean energy and receive a 20% bill discount. Since this discount “stacks” with others, participants on the CARE program could receive close to a 50% total bill discount. Several CCAs are participating in this program. While VCE has a small number of customers that would qualify, savings could be substantial.  
**Status:** Currently evaluating the feasibility of participation.  
**Metric:** Number of customers served. Value of discounts received.  
**Goal:** TBD  
**Feasibility:** Medium likelihood of implementation.  
**Timeframe:** TBD



Increase DC Fast Charger Deployment

**Project:** Identify potential sites for DC Fast Charge stations in each VCE jurisdiction. Release a Request for Interest (RFI) to EVSE vendors to promote increased DCFC deployment. Identify and win grant funding that could leverage additional private investment in DC Fast Chargers.  
**Status:** In concept development



**Metric:** Number of DC Fast Chargers installed.  
**Goal:** TBD  
**Feasibility:** Medium likelihood of implementation.  
**Timeframe:** TBD

Expansion of EV Charging for Multifamily Apartments

**Project:** Develop incentive program and technical resources to multifamily property owners to increase EV Charging access for apartment residents.  
**Status:** In concept phase  
**Metric:** TBD  
**Goal:** TBD  
**Feasibility:** Medium likelihood of implementation.  
**Timeframe:** TBD



///End of Strategy One\\

DRAFT



## PROGRAM STRATEGY TWO (PS2)

### Encourage and Incentivize Energy Efficiency, Demand Response Flexibility, and Resiliency

This strategy aligns with the following goals and objectives of VCE's Strategic Plan:

**Goal 3.** *Prioritize VCE's community benefits and increase customer satisfaction and retention.*

3.2 **Objective:** *Develop programs and initiatives to better support community goals, including supporting member agency achievement of energy-sector emissions reduction targets.*

3.5 **Objective:** *Develop customer programs and initiatives that prioritize decarbonization, community resiliency and customer savings.*

**Goal 4.** *Promote and deploy decarbonization and grid innovation programs to improve grid stability, reliability, community energy resilience, and safety.*

4.1 **Objective:** *Working with variety of local, regional, and state partners, develop a grid innovation roadmap for VCE's service territory that supports community energy resilience and reliability.*

#### Phase 1 Programs:

##### Maintain and Enhance Educational Energy Efficiency Resources

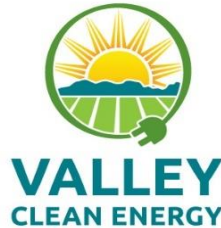
**Project:** This currently operating program provides Energy Efficiency information on the VCE website – enabling residential customers to learn about smart home improvements that save energy, reduce carbon, and save money. The site links to state, federal, and PG&E rebates, and incentives – with updates provided on a regular basis.

**Status:** Site is regularly promoted on VCE social media.

**Metric:** Number of unique visits and engagement time on site. Number of inquiries from Call Center. Number and value of rebates.

**Goal:** 200 unique visits annually. Average of two minutes spent on the website.

**Timeframe:** Launched June 2020. Program is ongoing.



## Phase 2 Programs:

### Provide Information on Self-Generation Incentive Program (SGIP)

**Project:** VCE staff conducted preliminary research on Self Generation Incentive Program (SGIP) with PG&E and Sonoma Clean Power. VCE has procured lists of residential and commercial customers eligible for SGIP grant money. VCE is considering providing information on SGIP on the VCE website under Programs. In addition, VCE is considering conducting outreach to eligible customers and/or providing application assistance, similar to SCP.



**Status:** Currently outreaching to SMUD, partner CCAs, and PG&E to create VCE-specific program plan.

**Metric:** Number of customers enrolled. Customer cost savings. VCE cost savings. kWh of load shift.

**Goal:** TBD

**Feasibility:** High likelihood of implementation.

**Timeframe:** TBD

### Agricultural Auto-Demand Response

**Project:** Provide assistance to agricultural customers to integrate irrigation pumping operations into Demand Response and other grid service programs to reduce energy costs for customers and VCE

**Status:** Program design and scope exploration ongoing with Polaris Energy Services

**Metric:** Number of customers enrolled. Customer cost savings. VCE cost savings. kWh of load shift.

**Goal:** TBD

**Feasibility:** High likelihood of implementation.

**Timeframe:** TBD

### Demand Response and Free Thermostat for Residential Customers

**Project:** Engage customers to enroll in OhmConnect's free program and receive a free smart thermostat as part of their enrollment. Smart devices integrate with OhmConnect's platform and are deployed during energy saving events. Customers earn points by successfully participating in the events (shifting load), and the points are redeemable as cash or usable in OhmConnect's store to purchase more smart devices for the home.

**Status:** Program design and scope exploration ongoing with OhmConnect



**Metric:** Number of customers enrolled. Customer cost savings. VCE cost savings. kWh of load shift.  
**Goal:** TBD  
**Feasibility:** High likelihood of implementation.  
**Timeframe:** TBD, but likely to deploy prior to August 2021

**Phase 3 Programs:**

**Develop a Residential and Commercial Battery Storage Program**

**Project:** Develop a residential and commercial battery storage program to enhance resilience for customers and reduce the impact of Public Safety Power Shutoff (PSPS) events.  
**Status:** In concept development  
**Metric:** TBD  
**Goal:** TBD  
**Feasibility:** Medium likelihood of implementation.  
**Timeframe:** TBD



///  
End of Strategy Two\\



## **APPENDIX 1: ACRONYMS**

**CARE** - California Alternate Rates for Energy

**DAC/GT** – Disadvantaged Communities Green Tariff

**EV** – Electric Vehicle

**EVCS** - Electric Vehicle Charging Stations

**EVSE** – Electric Vehicle Supply Equipment

**FERA** - Family Electric Rate Assistance

**FY** – Fiscal Year (July – June)

**GHG** – Greenhouse Gases

**JPA** – Joint Powers Authority

**NEM** – Net Energy Metering

**PG&E** – Pacific Gas and Electric

**PTG** – Programs Task Group

**PSPS** – Public Safety Power Shutoff

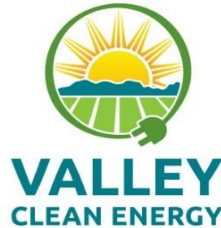
**RA** – Resource Adequacy

**SCP** – Sonoma Clean Power

**SGIP** – Self Generation Incentive Program

**SVCE** – Silicon Valley Clean Energy

**VCE** – Valley Clean Energy



## **APPENDIX 2: VALLEY CLEAN ENERGY STRATEGIC PLAN GOALS RELATED TO PROGRAMS**

### **C) CUSTOMERS AND COMMUNITY**

VCE is a customer and community focused organization. We will use all available channels and platforms to cultivate relationships with and bring customer value to all segments of the communities we serve – including those that have been historically underserved/under resourced. These channels include leveraging existing outlets established by our member agencies, partnering with commercial customers to enhance their community presence, and re-engaging with those who have opted out. Partnerships with commercial and agricultural customers are particularly important to building VCE’s brand in a region rooted in food production and innovation. Communicating our competitive rates and product and service benefits in clear and accessible ways will strengthen customer loyalty and enhance our financial standing, enabling us to better serve our communities.

#### **Goal 3: Prioritize VCE’s community benefits and increase customer satisfaction and retention.**

- 3.1 Objective: 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 Objective: Develop programs and initiatives to better support community goals, including supporting member agency achievement of energy-sector emissions reduction targets.
- 3.3 Objective: Design and implement a strategy to more effectively engage local business and agricultural customers.
- 3.4 Objective: Build awareness and trust of the VCE brand through direct engagement with customers, communities and organizations in VCE’s service territory.
- 3.5 Objective: Develop customer programs and initiatives that prioritize decarbonization, community resiliency and customer savings.
- 3.6 Objective: 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 Objective: Integrate and address the concerns and priorities of emerging and historically marginalized communities in the design and implementation of VCE’s services and programs.

### **D) DECARBONIZATION AND GRID INNOVATION**

One of the key factors driving the formation of VCE was to address climate change and improve local resiliency. We will play a vital role in this decades-long endeavor, with the ongoing support of our community and our Board. In addition to providing carbon-free electricity, we are reinvesting in our region and expanding our toolset for furthering emissions reductions and energy resiliency by launching decarbonization and grid innovation programs. These programs represent the next stage in VCE’s maturity and are the mechanism by which VCE will further engage our communities to achieve our mission. We will leverage partnerships, prioritize innovation and use data science to manage and influence carbon-free energy use. We will embody the entrepreneurial and innovative spirit of the





community in which we live and work, the spirit of Yolo County, to bend the carbon curve downwards and improve the lives of our community members.

**Goal 4. Promote and deploy local decarbonization and grid innovation programs to improve grid stability, reliability, community energy resilience, and safety.**

- 4.1 Objective: 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 Objective: Develop a VCE decarbonization roadmap to guide near and long-term program decisions and offerings.
- 4.3 Objective: Increase participation in VCE's UltraGreen 100% renewable product.
- 4.4. Objective: Identify external funding sources to support decarbonization and grid-related programs and initiatives.

DRAFT



### **Program Design Criteria Descriptions**

- 1. Availability of Funds**
  - a. Money available in programs budget, leveraging supplementary funding, grants, etc.
- 2. Amount of Staff Time**
  - a. Estimated amount of staff time required, consultant needs, etc. to implement and manage the program on an ongoing basis
- 3. Strategic Plan Alignment**
  - a. Reduces GHG Emissions
    - i. Potential to reduce GHG emissions
  - b. Customer Satisfaction
    - i. Addresses priorities ranked as important from customers as measured by the customer programs survey , estimated customer money/energy savings and overall satisfaction with the program
  - c. Addresses Environmental Justice
    - i. Addresses the needs of the underserved, underprivileged and/or low income customers
  - d. Regulatory & Legislative Goals Alignment
    - i. Aligns with VCE's Strategic Plan reg/leg goals as well as statewide initiatives, e.g. load shed in advance of summer 2021)
  - e. Strategic Partnerships
    - i. Potential level of collaboration with local organizations; furthers VCE programs reach due to combining efforts with mission-aligned organizations and partners



**Program Preliminary Design/Implementation Form**

**Program Concept:** Demand Response and Free Thermostat for Residential Customers Pilot

**Date:** June 4<sup>th</sup>, 2021

**Staff Resources and Support:**

Assigned Program Manager: Rebecca Boyles  
 Programs Task Group members: Marsha Baird, David Springer  
 Consultant/Partner name: OhmConnect

**Scope:** VCE staff works with OhmConnect to recruit program participation in OhmConnect’s existing demand response platform. Customers receive a free thermostat (or other smart device, if they already have a smart thermostat) in exchange for participating in load reduction event days. Customers earn rewards that can be exchanged for cash or other smart devices in OhmConnect’s store. VCE’s role is primarily marketing, education and outreach for program recruitment and event participation. VCE will also conduct outreach to member jurisdiction staff, in the hopes that the program could be promoted through city and county communication channels. OhmConnect is responsible for device distribution, maintenance, and technical support; and for managing support for the channels in which customers participate in event days (through a mobile app, etc.)

**Timing:** Target: begin ME+O in June 2021

**Program Design Criteria Evaluation:**

	<b>Criteria 1</b>	<b>Criteria 2</b>	<b>Criteria 3</b>
<b>Criteria Type</b>	<u>Availability of Funds</u>	<u>Staff Time</u>	<u>Strategic Plan Alignment</u>
<b>Reasoning for Program Score</b>	Scored high because this program would not use funds from Programs budget	Scored in the middle, as there will be staff time involved at the outset: editing copy, outreach to elected officials and managing outreach campaigns. Once campaign is underway, less staff time will be needed.	Scored high because of perceived customer satisfaction (free thermostat and chance for rewards for participation); ability to leverage strategic partnerships, and alignment with regulatory and legislative goals (mainly load shed during the summer).

**Program Metrics and Goals:**

Metrics: Number of thermostats given; kWh of load shed as a result of program participation

Goal: 300 program participants

**Proposed Programs Budget:**



Resource	Source	Proposed Budget	\$ Remaining in Program Funds
	Programs Budget	n/a	n/a
	Total	n/a	n/a

**Organizational Goals Addressed:**

Alignment with VCE’s Strategic Plan? Yes

- **Goal 3:** Prioritize VCE’s community benefits and increase customer satisfaction and retention
  - **Objective 3.5:** Develop customer programs and initiatives that prioritize decarbonization, community resiliency and customer savings
- **Goal 4:** Promote and deploy local decarbonization and grid innovation programs to improve grid stability, reliability, community energy resilience, and safety
  - **Objective 4.4:** Identify external funding sources to support decarbonization and grid-related programs and initiatives

**Program Eligibility:** VCE customers; must have a SmartMeter

**Marketing, Education and Outreach (ME+O) Strategy:** VCE’s role in the program is marketing, outreach and promotion of the program. ME+O includes emails, social media posts and working with jurisdiction leadership channels to publicize the program, recruit participants, and recruit event participation (load reduction/shed).

**Board, CAC, PTG Input:** TBD

**Next Steps:** Engage Board and CAC for feedback; integrate feedback into program planning. Finalize working agreement; roles/responsibilities with OhmConnect. Begin outreach campaign.