

# VALLEY CLEAN ENERGY ALLIANCE

## Staff Report – Item 7

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**TO:** Community Advisory Committee Members

**FROM:** Mitch Sears, Interim General Manager  
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**SUBJECT:** Progress update on draft 3-Year Programs Plan

**DATE:** March 25, 2021

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The purpose of this report is to: (1) provide a progress update on development of the 3-Year Programs Plan, (2) introduce the Plan’s structure in outline format, and (3) gather initial feedback on a preliminary set of programs.

### **BACKGROUND**

#### Draft Plan Progress

The 3-Year Programs Plan is designed to be consistent with and support the goals and objectives of the VCE Strategic Plan adopted by the Board in November 2020. The attached 3-Year Programs Plan Draft Outline builds on the initial VCE Programs Plan developed in 2019 that guided early informational based actions by VCE on energy efficiency and electric vehicles. These early actions are carried forward into the current draft Plan and provide important learnings for design and execution of programs going forward.

Staff has been working on the draft Programs Plan for the past nine months, with support from the Programs Task Group (PTG). The work has focused on plan design and research of potential programs for inclusion. Balancing work on analysis of the potential programs for inclusion in the draft Plan with other priority projects (i.e. Winters enrollment, Strategic Plan Development, etc.), has delayed the analytical work that will lead to the selection and prioritization of programs that will be included in the Plan. However, research of potential programs has been conducted, and the initial list of programs that are/will be undergoing deeper analysis are included later in this report.

To date, staff has drafted an outline of the proposed 3-Year Programs Plan structure (attached); developed and deployed VCE’s first customer survey to gather stakeholder feedback on program priorities; and researched and performed preliminary analysis of potential programs, informed by research from VCE staff, sister CCA organizations, SMUD, consultants, and the PTG. Staff anticipates that the draft Plan will be ready for review by the CAC in late Spring/early Summer.

## Draft Plan Outline

As shown in the attached Plan Outline, the draft 3-Year Programs Plan includes the following elements:

- **Executive Summary:** overview of the Plan and how it's aligned with VCE's Strategic Plan.
- **Background:** context on where VCE is in programs implementation and the work that has been done up to this point. This section also includes context on regulatory and COVID-19 budgetary impacts and VCE's commitment to environmental justice.
- **Current Programs Overview:** gives context of historic input from CAC & Board, PCIA & RA impacts on budget, and assessing supplementary funding. Lists additional contextual factors that are included in the plan. i.e. COVID, VCE member agency climate action plans, etc.
- **VCE's Commitment to EJ:** delineates VCE's commitment to Environmental Justice, and how that commitment is reflected in the Programs Plan.
- **Community Engagement:** how VCE is incorporating community input: surveys, CAC/Board and how it aligns with Strategic Plan.
- **Community Reinvestment Programs:** overview of existing financial based customer programs.
  - NEM Donation Program
  - Customer Dividend Program
- **Programs Evaluation:** explains process by which programs are evaluated for effectiveness and decision-making on program expansion or discontinuation.
- **Program Phases defined:**
  - **Phase 1:** Ongoing or to be initiated within the next year.
  - **Phase 2:** To be initiated within one to three-years
  - **Phase 3:** No defined start date for action, likely longer than two years.
- **Programs:** Programs to be prioritized and implemented; program details. NOTE: initial research on potential programs completed – analysis of these potential programs in early stages.

At the CAC meeting, staff will be seeking high-level feedback on the outline to verify that key topic areas have been captured and to identify any significant omissions.

## Preliminary Programs Set

The draft Programs Plan focuses on actionable, cost effective programs in electrification (buildings and transportation) and behind-the-meter customer focused education/incentives to directly support VCE's core mission. The preliminary set of programs identified below fall into these two general programmatic buckets. The programs are further organized into three phases that provide a general timeframe for expected implementation.

Through research and preliminary analysis, the following programs have been identified in the three phases.

- **Phase 1 (programs already in progress):**
  - Maintain and Enhance EV Educational Resources. Educational resources and access to third party incentives to help customers switch to driving an EV.

- Deployment and Promotion of Electric Vehicle Charging Stations (EVCS). Installation of electric vehicle charging infrastructure and mobility hubs in Yolo County.
- Maintain and Enhance Educational Energy Efficiency Resources. Educational resources and access to third party incentives to help customers make informed decisions.
  
- **Phase 2** (programs under consideration):
  - Agricultural Electrification. Enable customers to access agriculture incentives for upgrading from existing fossil gas farming equipment to fuel switching farming equipment.
  - Promote Dual Fuel Heat Pumps for Space Conditioning. Air conditioner reaching the end of its useful life it can be replaced with a heat pump while retaining the furnace for backup heat.
  - All Electric Awards Residential and Commercial Program. Showcasing all electric homes, businesses, or gas-to-electric conversions to inspire and educate VCE customers.
  - Electric Vehicle Rebates for Lower-income Customers. Partner to develop rebates for used Electric Vehicles available to income qualifying customers.
  - Provide Information on Self-Generation Incentive Program (SGIP). Resources to help customers qualify for funding.
  
- **Phase 3** (programs in the conceptual phase):
  - Electric Vehicle Ride and Drive Events in VCE Territory. Partner to host free Ride and Drive events to promote the adoption of EVs in the VCE service territory.
  - Promote Induction Cooking as Alternative to Fossil Gas. Loaner induction cooktops and resources to access electric induction stove incentives for appliance replacement or new construction.
  - Disadvantaged Communities Green Tariff Program (DAC/GT). Identify income-qualified VCE customers to participate in CPUC program that enables income-qualified residential customers who live in disadvantaged communities to benefit from utility-scale clean energy and receive a 20% bill discount.
  - Increase DC Fast Charger Deployment. Release a Request for Interest (RFI) to EVSE vendors to promote increased DCFC deployment.
  - Expansion of Charging for Multifamily Apartments. Develop incentive program and technical resources to multifamily property owners to increase EV Charging access for apartment residents.
  - Agricultural Pump Electrification, Automation, and Resilience. Partner to run pilot demand response program featuring incentives and special rate design for participants.
  - Develop a Residential and Commercial Battery Storage Program. Partner to run pilot behind-the-meter battery storage program.

At the CAC meeting, staff will be seeking high-level feedback on the preliminary list of programs that have been identified through research and outreach to other CCA programs. In general, it will be helpful for CAC members to identify any additional programs/concepts that are cost effective and actionable in the near term or preliminary programs/concepts that should be removed. As stated, Staff is beginning deeper analysis and would benefit from CAC feedback on this set of potential programs.

### Customer Programs Survey

In addition to feedback from the CAC and Board, staff has developed an electronic customer programs survey. The survey is publicly available from March 8, 2021 to April 7, 2021 and is limited to 750 participants. Participants remain anonymous. While this is not a statistically significant survey due to the small sample size, it will provide general feedback on customers' program priorities and preferences. Staff curated a Programs Survey Distribution Strategy to inform where the survey is distributed. Staff has the capacity to track whether the participant engaged with the survey through social media, a pop-up on the VCE website, the Spring Quarterly Newsletter, through our MailChimp email listserv, VCE Board and CAC, and more.

If the CAC would like to help distribute the survey, scan the QR Code below with a phone camera or send this link: [Community Survey on Valley Clean Energy Programs](#).



### **NEXT STEPS**

The next step for the draft 3-Year Programs Plan is incorporating feedback from the CAC on the draft outline and the preliminary list of potential programs. Once the structure of the Plan is finalized, staff will analyze and incorporate survey results into potential program design. Potential programs will then be analyzed based on feasibility, budget and stakeholder priority, and vetted with the PTG. A final draft 3-Year Programs Plan will then be brought back to the CAC for discussion and recommendation to the Board.

### **ATTACHMENT**

1. 3-Year Programs Plan Draft Outline

**3-Year Programs Plan Draft Outline**

**Purpose of Plan:** To direct the planning, implementation, and funding of VCE’s Customer Programs from 2021-2024. The Plan is intended to be public-facing.

**Plan Outline:**

1. **Executive Summary:** overview of the Plan and how it’s aligned with VCE’s Strategic Plan. Lists two main program strategies.
2. **Background:** context on where VCE is in programs implementation, and the work that has been done up to this point. “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.”
3. **Current Programs Overview:** gives context of historic input from CAC & Board, PCIA & RA impacts on budget, and assessing supplementary funding, mentioning that detailed plan will be developed for each program listed. Lists additional contextual factors that included plan. i.e. COVID, jurisdiction climate action plans, etc.
4. **VCE’s Commitment to EJ:** delineates VCE’s commitment to Environmental Justice, and how that commitment is reflected in the Programs Plan. Introduces EJ badge in programs section.
5. **Community Engagement:** How VCE is incorporating community input: surveys, CAC/Board and how it aligns with Strategic Plan Goal 3, Objective 3.6
6. **Community Reinvestment Programs:**
  - a. NEM Donation Program
  - b. Customer Dividend Program
7. **Programs Evaluation:** explains process by which programs are evaluated for effectiveness and decision-making on program expansion or discontinuation.
8. **Program Phases defined:**
  - a. **Phase 1:** Ongoing or to be initiated within the next year.
    - i. Achievable in the near-term.
    - ii. Funding and other resources are available.
    - iii. Building the foundation for ongoing or future programs
  - b. **Phase 2:** To be initiated within one to three years
    - i. Anticipated, yet not immediate, deadline.
    - ii. Funding levels soon to be determined and funding sources identified or in development.
    - iii. Necessary for planning and development of long-term actions.
  - c. **Phase 3:** No defined start date for action, likely longer than two years.
    - i. In the conceptual phase.
    - ii. Additional information needed to inform an operational plan.
    - iii. Funding not yet available.
9. **Program Strategies**
  - a. **Promote the electrification of transportation, residential and commercial buildings, and agricultural operations.**
    - i. In progress:
      1. Maintain and Enhance EV Educational Resources

- 2. Deployment and Promotion of EV Charging Stations (Electrify Yolo)
    - ii. Planned for 2021-2022: Feedback and analysis incorporated; draft budget proposed
    - iii. Planned for 2022-2024: Pending feedback, analysis and funding
- b. Encourage and incentivize energy efficiency, demand response flexibility, and resiliency.**
  - i. In Progress:
    - 1. Maintain and Enhance Educational EE Resources
  - ii. Planned for 2021-2022: Feedback and analysis incorporated; draft budget proposed
  - iii. Planned for 2022-2024 Pending feedback, analysis and funding

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