

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 8

TO: Community Advisory Committee

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: May 27, 2021

RECOMMENDATIONS

1. Recommend that the Board adopt VCE's 3-Year Programs Plan, including the process by which programs are selected by VCE for implementation.
2. Provide feedback on the draft Preliminary Program Design/Implementation Form.

OVERVIEW

The purpose of this report and agenda item is to seek a CAC recommendation on the plan that will guide VCE's program development and implementation over the next three years. Once the CAC's draft Programs Plan recommendation is finalized, staff will return at a subsequent meeting to propose specific programs for adoption by VCE. This two-step process is intended to allow the CAC the time to consider the Plan (including its programs selection process), and then consider application of those processes to individual potential programs at a separate meeting.

BACKGROUND

At the CAC's March 25, 2021 meeting, there was a discussion on VCE's 3-Year Programs Plan, including the background, structure and outline of the draft Plan and its phases and strategies; a review of the customer-facing programs survey; and a discussion of potential programs such as heat pumps and electrification. The CAC and the public provided feedback that VCE should focus on programs that are low-cost with high customer impact, as well as prioritizing the development of programs designed to benefit marginalized communities.

PROPOSED PROGRAMS PLANNING AND IMPLEMENTATION PROCESS

Since the 3/25/21 meeting, the Programs Task Group (PTG) of the CAC has met with staff eight times (twice the regular cadence) 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 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.
- 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 concurrence from the CAC and Board by including Preliminary Program Design/Implementation Forms on the CAC and Board consent agendas either 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 NDAs/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: The 3-Year Programs Plan would come before the Community Advisory Committee and the Board of Directors in 2024 for a full update.

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 take into account 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 a full 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.

DRAFT 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 soon 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 as a way to decide which were most in alignment 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 Thermostat 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. As noted in the Overview section of this staff report, staff is not formally recommending specific programs at this time but will return at a subsequent meeting with program recommendations based on the final adopted 3-Year Programs Plan. As an example, staff has completed a Preliminary Program Design/Implementation Form for the EV Rebates program concept which is included as Attachment C. This example is intended to give a feel for the level of detail that will be included in subsequent Preliminary Program Design/Implementation Forms for program concepts that will be brought back to the CAC for consideration.

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.

CONCLUSION

Staff is requesting that the CAC review the draft 3-Year Programs Plan, including the proposed programs design and review process, and recommend its adoption to the Board of Directors. Staff is also requesting that CAC review and give feedback on the draft Preliminary Program Design/Implementation Form for the EV Rebate program concept.

Attachments:

1. Draft 3-Year Programs Plan
2. Draft Program Design Criteria Descriptions
3. Draft Preliminary Program Design/Implementation Form: EV Rebates for Low-Income Customers
4. Memo: PTG's Programs Plan Recommendation



Valley Clean Energy

3-Year Programs Plan

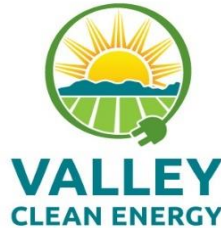
June 2021 – June 2024

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.

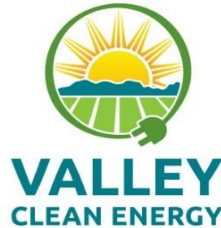
These strategies and goals will guide the development, deployment, and evaluation of VCE programs in the coming years. In particular, the Programs Plan seeks to advance: **Goal 3: Prioritize VCE's community benefits and increase customer satisfaction and retention** and its corresponding Objectives 3.1. – 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](#).

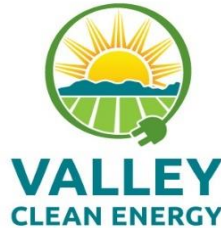
Consistent the Statement, VCE will continue to explicitly integrate and address the concerns and priorities of emerging and historically marginalized communities in the design and implementation of VCE's services and programs – to ensure *all* of our customers are well served.

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



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*

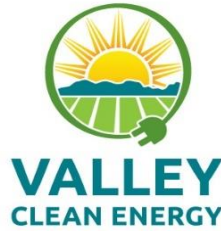
1. [Agricultural Auto-Demand Response \(PS2\);](#)
2. [Demand Response and Free Thermostat for Residential Customers \(PS2\);](#)
3. [Agricultural Electrification \(PS1\);](#)
4. [Promote Dual Fuel Heat Pumps for Space Conditioning \(PS1\);](#)
5. [All Electric Awards Residential and Commercial Program \(PS1\);](#)
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.

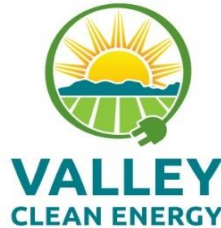


V. PLAN/PROGRAMS EVALUATION

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.*

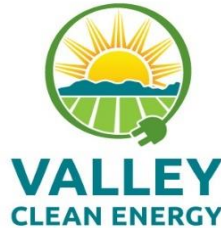
Goal 4. *Promote and deploy decarbonization and grid innovation programs to improve grid stability, reliability, community energy resilience, and safety.*

- 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

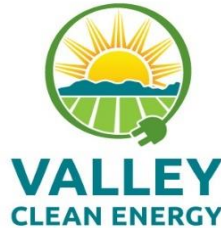
RA – Resource Adequacy

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: Electric Vehicle (EV) Rebates for Lower-Income Customers Pilot

Date: May 27, 2021

Staff Resources and Support:

Assigned Program Managers: Rebecca Boyles, Tessa Tobar
 Programs Task Group members: Marsha Baird, David Springer
 Consultant name (if applicable):

Scope: Develop program infrastructure and disburse rebates for Electric Vehicles to income-qualifying customers for a limited time (approx. 3 months)

Timing: (approximate; pending approval) Begin program implementation July/August 2021. Announce program roll-out September/October 2021. Begin providing rebates in November/December 2021, and close rebate application process in March 2022.

Program Design Criteria Evaluation:

	Criteria 1	Criteria 2	Criteria 3
Criteria Type	<u>Availability of Funds</u>	<u>Staff Time</u>	<u>Strategic Plan Alignment</u>
Reasoning for Program Score	Scored high impact on availability of funds because we have internal funds set aside for such programs	Scored high; program is a low impact on staff time since multiple CCAs have implemented the program, found it easy to do, requiring minimal staff time; and we would emulate these programs	Scored medium to high on strategic plan alignment: <u>Reduces GHG Emissions</u> Higher penetration of EVs in Yolo County would likely lead to less emissions from transportation <u>Customer Satisfaction</u> Addresses an issue of importance to customers as stated in customer survey <u>Addresses Environmental Justice</u> Addresses the needs of the underserved, underprivileged and/or lower-income customers by making EVs more accessible <u>Regulatory & Legislative Goals Alignment</u> Aligns with state goals of increasing penetration of EVs in CA <u>Strategic Partnerships</u> Level of collaboration with local organizations: we could potentially work with CARB, EV dealers, Sacramento Air Quality Management District, low-income communities, community-based organizations, and other stakeholders



Program Metrics and Goals:

Metrics: Number of EVs procured by customers with rebates

Goal: 15 EVs incentivized

Proposed Programs Budget:

Resource	Source	Proposed Budget	\$ Remaining in Program Funds
Rebates	Programs Budget	\$	\$
Consultants (if applicable)	Programs Budget	\$	\$
	Total	\$	\$

Organizational Goals Addressed:

Alignment with VCE’s Strategic Plan? Yes

- **Goal 3.** Prioritize VCE’s community benefits and increase customer satisfaction and retention and;
 - 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.

Program Eligibility: VCE CARE/FERA customers (income-qualified)

Marketing, Education and Outreach (ME+O) Strategy: Promote on social media, website, and evaluate cross-promotion with aligned organizations (e.g. RISE, Inc.). Potential to initiate mail and/or email campaign

Board, CAC, PTG Input: TBD

Next Steps: Research lessons learned from sister CCAs with similar programs; formalize budget; seek Board approval; develop ME+O Strategy; implement program.

***VCE Programs Plan Recommendation
Programs Task Group
5/27/21 CAC Meeting***

Background:

Since the launch of the Energy Efficiency graphic and program in June 2020, the Programs Task Group (PTG) has been working with VCE Staff to develop a list of future potential programs and a 3-year plan with timing and implementation details. The PTG has been meeting regularly during this time, reviewing programs from other CCAs and discussing programs that would be of most interest and benefit to VCE customers. VCE staff researched programs in depth by talking with their counterparts at other CCAs and reviewing online resources. PTG members provided feedback based on industry knowledge, contacts and customer experiences. The “Flattening the Curve” educational piece and the New Building Electrification initiative have been additional outcomes of the work and research of the PTG.

The process for determining and reviewing programs has been thorough. After the presentation at the March 25, 2021 CAC meeting reviewing the outline of the 3-year Programs Plan and the list of potential programs for phases 1, 2 and 3, the PTG worked extensively with VCE Staff on the criteria for selecting programs that VCE would implement. This framework will be used as a way of prioritizing programs and will be reviewed periodically.

Recommendation:

The Programs Task Group is in support of the 3-Year Programs Plan and the Programs Design Criteria as presented by VCE Staff.