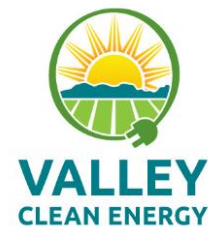




**Valley Clean Energy Special Board Meeting – August 13, 2020  
Via Teleconference**

**Item 14 – IRP and Action Plan Approval**



# Public Comments.

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# Item 14 – IRP Approval: Objective – Present Final Portfolios and Seek Approval

- Proposed Final IRP Portfolios
- Action Plan
- Draft Resolution

# Item 14 – IRP Approval: Portfolio Alternatives Considered

- Portfolios are based on current VCE procurement efforts and legislative and regulatory requirements
- Two portfolios are considered – the minimum mandated by the CPUC, each calibrated to a specific 2030 carbon emissions target set by the CPUC
- Resources in portfolio selected so as not to exceed VCE’s “fair share” of available resource potential for each technology

Portfolio	Key Features
Conforming 46MMT Portfolio (CPUC Required and Recommended)	<ul style="list-style-type: none"><li>• Seeks balanced wind + solar + storage portfolio</li><li>• Meets CPUC target of 135,000 metric tons of CO2 emissions in 2030</li><li>• Delivers 75+% RPS by 2030 and a nearly 85% carbon-free mix by 2030</li><li>• Consistent with CPUC’s “Reference System Portfolio”</li></ul>
38 MMT Portfolio (CPUC Required)	<ul style="list-style-type: none"><li>• Similar to 46MMT Portfolio but tuned to 108,000 tons of CO2 emissions by 2030 by using more wind, solar, battery storage and large scale hydro</li><li>• Delivers 80+% RPS by 2030 and a nearly 88% carbon-free mix by 2030</li><li>• Consistent with the CPUC’s “38MMT Scenario”</li></ul>

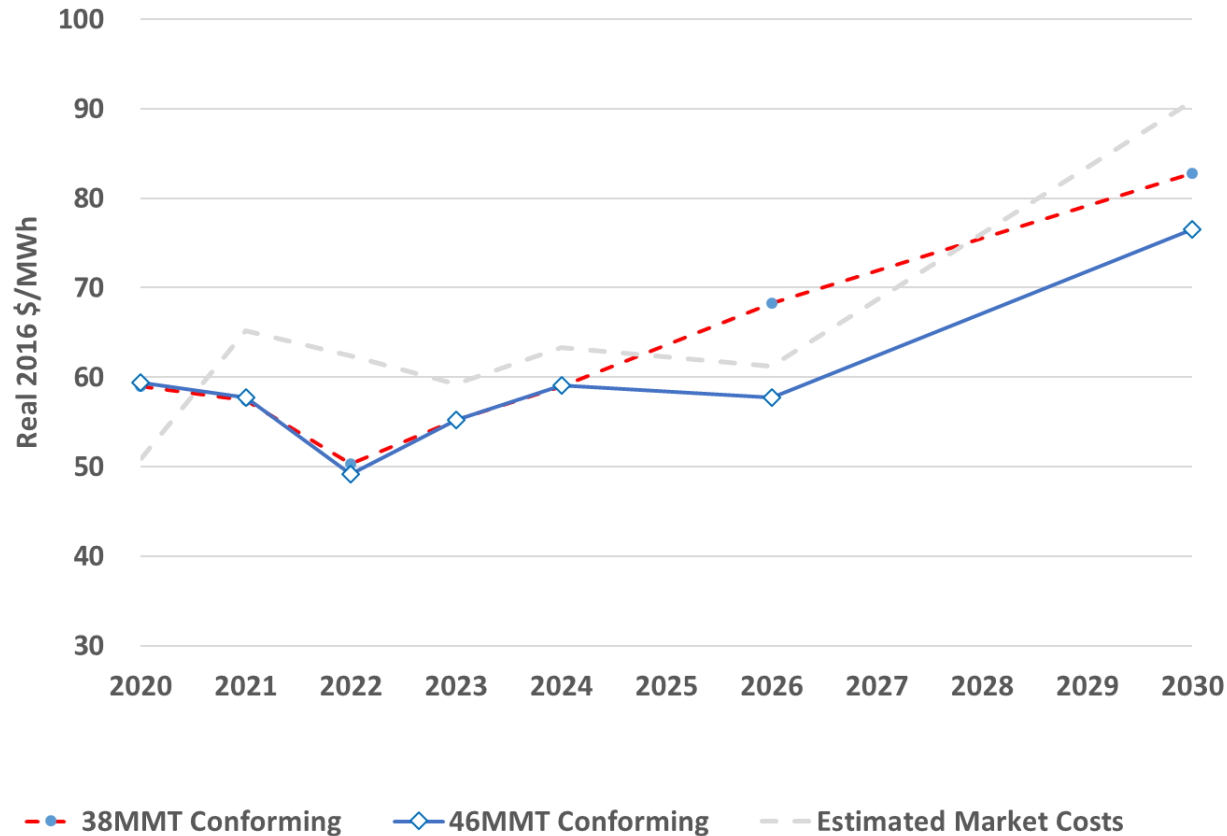
# Item 14 – IRP Approval: Proposed Portfolios (MW of Rated Capacity)

	46MMT (Recommended)							38 MMT	
	2020	2021	2022	2023	2024	2026	2030	2020-2026	2030
<b>Contracted Resources (As of July 2020)</b>									
New Solar PV (Aquamarine)		50	50	50	50	50	50		50
Small-Scale Hydro (Indian Valley)	0.7	0.7	0.7	0.7	0.7				
<b>Planned Resources</b>									
New Wind						20	41	Same as 46MMT Portfolio	51
New Solar PV (Replacing Rugged)			75	75	75	75	75		75
Local Solar (Local 2020 RFO)				25	25	25	52		52
New DR* (RFP with RCEA)		7	7	7	7	7	7		7
New 4-h Battery			2.5	12.5	12.5	12.5	43		63
Small-Scale Hydro (Indian Valley)						0.7	0.7		0.7
Large Scale Hydro (Carbon Free)						20	20		34
BTM*Solar	47	60	68	74	80	89	109		109

\*DR = Demand Response; BTM = Behind the meter

# Item 14 – IRP Approval: Portfolio All-in Cost for Electricity (\$/MWh)

- Portfolios identical until after 2026
- 38MMT portfolio more costly due to combination of higher market price trajectory and additional contracted resources to lower GHG emissions
- VCE's resource portfolios expected to have lower costs than a pure short term market portfolio as a result of renewable energy contracting



# Item 14 – IRP Approval: Proposed Action Plan

## **2020 -2021**

- Complete 2020 RFOs for local capacity and RA
- Conclude RFI for long term storage (with other CCAs)
- Replace Rugged Solar PPA
- Monitor progress of new solar projects to ensure planned CODs are met

## **2022-2024**

- Conduct RFO for renewable energy and storage to come online in the 2025-2027 period
- Monitor RPS performance and adjust short term procurement if needed

## **2025-2030**

- Conduct RFO for renewable energy and storage come online in the 2028-2030 period
- Consider contracting for large-scale hydro resources to ensure carbon targets are met

# Item 14 – IRP Approval: Draft Resolution

1. The Board hereby approves of the Integrated Resource Plan update for 2020 which includes the 46MMT Portfolio or Conforming Portfolio as the Preferred Portfolio, the 38MMT Portfolio as an alternative portfolio, and the associated Action Plan identified therein, for submission to the California Public Utilities Commission by September 1, 2020; and
2. The Board hereby authorizes the Interim General Manager in consultation with VCE staff to make any non-substantial changes necessary to finalize the IRP document for filing.



Questions?



**Valley Clean Energy Special Board Meeting – August 13, 2020  
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**Item 16 – Update: Strategic Planning Process**



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# Item 16 – Update: VCE Strategic Planning Process

- February 2020 – Board adopts Strategic Planning Process for mid-2020 consideration of Draft Plan
- March 2020 - COVID disrupts planning process
- July 2020 – Board directs modified process and scope
- July through Sept. – Draft Plan Development
  - Board Subcommittee – guidance/direction on development of draft plan
  - CAC Task Group – review of draft plan
  - Worksheet and interviews with Board and CAC members
- Goal: Adoption of VCE 3 yr Strategic Plan in October 2020

# Item 16 – Update: VCE Strategic Planning Process

Date	Meeting/Milestone	Purpose
7/9/20 - completed	Board	Revised development process and timeline
7/23/20- completed	CAC	Process update
Mid/Late July	<b>Milestone</b>	Complete Strategic Plan Worksheet Analysis
Late July/Early Aug.	<b>Milestone</b>	Conduct feedback interviews with Board and CAC members
8/13/20	Board	Progress update; report on draft plan
8/27/20	CAC	Progress update; Taskgroup report on draft plan
Late August	<b>Milestone</b>	Complete initial draft plan
9/10/20	Board	Review/provide direction on draft plan
9/24/20	CAC	Recommendation on draft plan
10/8/20	Board	<b>Consider adoption of draft plan</b>