Meeting of the Community Advisory Committee (CAC)
of Valley Clean Energy Alliance
Thursday, November 18, 2021 at 5:00 p.m.
Via Video/Teleconference

Pursuant to Assembly Bill 361 (AB 361), legislative bodies may meet remotely without listing the location of each remote attendee, posting agendas at each remote location, or allowing the public to access each location, with the adoption of certain findings. At the October 14, 2021 meeting, the Board of Directors found that the local health official recommended measures to promote social distancing and authorized the continuation of remote meetings for the foreseeable future. Any interested member of the public who wishes to listen in should join this meeting via teleconferencing as set forth below.

Please note that the numerical order of items is for convenience of reference. Items may be taken out of order on the request of any CAC member with the concurrence of the other members. The CAC may decide to make a recommendation to the VCE Board regarding any of the agenda items below. Staff recommendations are advisory to the CAC. The CAC may take any action it deems appropriate on any item on the agenda even if it varies from the staff recommendation.

Members of the public who wish to listen to the CAC Webinar meeting may do so with the teleconferencing call-in number and Webinar meeting ID code.

Join meeting via Zoom WEBINAR:

a. **From a PC, Mac, iPad, iPhone, or Android device with high-speed internet.**
(If your device does not have audio, please also join by phone.)
https://us02web.zoom.us/j/88226280258
Meeting ID: 882 2628 0258

b. **By phone**
One tap mobile:
+16699009128,,88226280258#
+12532158782,, 88226280258#
Dial:
+1-669-900-9128
+1-253-215-8782
Meeting ID: 882 2628 0258

Public comments may be submitted electronically or during the meeting. Instructions on how to submit your public comments can be found in the PUBLIC PARTICIPATION note at the end of this agenda.

Committee Members: Christine Shewmaker (Chair), Cynthia Rodriguez (Vice Chair), Yvonne Hunter, Marsha Baird, Gerry Braun, Mark Aulman, Lorenzo Kristov, David Springer, Jennifer Rindahl

5:00 P.M. CALL TO ORDER

1. **Welcome**
2. **Approval of Agenda**
3. **Public Comment:** This item is reserved for persons wishing to address the CAC on any VCE-related matters that are not otherwise on this meeting agenda or are listed on the Consent portion of the agenda. Public comments on matters listed on the Regular agenda shall be heard at the time the matter is called. As with all public comment, members of the public who wish to address the CAC are customarily limited to two minutes per speaker, electronically submitted comments should be limited to approximately 300 words. Comments that are longer than 300 words will only be read for two minutes. All electronically submitted comments, whether read in their entirety or not, will be posted to the VCE website within 24 hours of the conclusion of the meeting. See the information under **PUBLIC PARTICIPATION** at the conclusion of this agenda about how to provide your public comment.
4. **Brief VCEA Staff and Advisory Task Group Reports (≈ 15 minutes) -** Representatives of VCE staff and active Task Groups will provide updates on on-going staff and Task Group work. Task Group recommendations requiring Committee attention require a regular agenda item. Summaries of written reports received by the Committee in advance of the meeting will receive a time allocation of up to ten minutes. Otherwise, the time allocation will be five minutes, including questions and answers. The Committee may decide to allocate additional time at the end of the regular agenda.
    A. **Task Group Reports**
    B. **11/10/21 Special Board Meeting Summary**
    C. **Staff Report**

CONSENT AGENDA (≈5 minutes)

5. **Approval of October 28, 2021 Meeting Minutes.**
6. **Receive Customer Enrollment update as of November 10, 2021.**
7. **Update on SACOG Grant – Electrify Yolo.**

REGULAR AGENDA

8. **Introduction to community resiliency. (Informational) (≈ 20 minutes)**
9. **Update on Quarterly Power Content. (Informational) (≈ 15 minutes)**
10. **GHG Free 2022 Attributes (Large Hydro and/or Nuclear). (Discussion/Action) (≈ 15 minutes)**
11. **Review Near-term Procurement Directives and Delegations for 2022 Power Procurement Activities. (Informational) (≈ 10 minutes)**
12. **Consider Cost-based Customer Rates – 2022 Customer Rates. (Discussion/Action) (≈ 25 minutes)**
13. **Receive and update Community Advisory Committee 2021 Long-Range Calendar. (Discussion) (≈ 5 minutes)**

14. **Advisory Committee Member and Announcements. (≈ 5 minutes)** Action items and reports from members of the Advisory Committee, including announcements, reports on meetings, and information which would be of interest to the Committee or the public.

15. **Adjournment:** The next Community Advisory Committee meeting has been scheduled for Thursday, December 16, 2021 at 5 p.m. (3rd Thursday of the month due to the Christmas holiday).

    The Valley Clean Energy *Board* has scheduled a regular meeting for Thursday, December 9, 2021 at 5:00 p.m.

PUBLIC PARTICIPATION INSTRUCTIONS FOR UPCOMING VALLEY CLEAN ENERGY COMMUNITY ADVISORY COMMITTEE MEETING ON THURSDAY, NOVEMBER 18, 2021 AT 5:00 P.M.:

PUBLIC PARTICIPATION. Public participation for this meeting will be done electronically via e-mail ***and*** during the meeting as described below.

Public participation via e-mail: If you have anything that you wish to be distributed to the CAC and included in the official record, please e-mail it to VCE staff at Meetings@ValleyCleanEnergy.org. If information is received by 3:00 p.m. on the day of the CAC meeting it will be e-mailed to the CAC members and other staff prior to the meeting. If it is received after 3:00 p.m. the information will be distributed after the meeting, but within 24 hours of the conclusion of the meeting.

Verbal public participation during the meeting: If participating during the meeting, there are two (2) ways for the public to provide verbal comments:

1) **Computer with a microphone:** activate the "participants" icon at the bottom of your screen, then press the "raise a hand" icon.
2) **Phone:** Press *9 to indicate a desire to make a comment. Once called upon, press *6 to unmute your microphone.

VCE staff will acknowledge that you have a public comment to make during the item and will call upon you by name or phone number when it is your turn to comment. Speakers will be limited to no more than two minutes. Speakers will be asked to state their name for the record.

Public records that relate to any item on the agenda for a regular or special CAC meeting are available for public review on the VCE website. Records that are distributed to the CAC by VCE staff less than 72 hours prior to the meeting will be posted to the VCE website at the same time they are distributed to all members, or a majority of the members of the CAC. Questions regarding VCE public records related to the meeting should be directed to Board Clerk Alisa Lembke at (530) 446-2750 or Alisa.Lembke@ValleyCleanEnergy.org. The Valley Clean Energy website is located at: https://valleycleanenergy.org/cac-meetings/.

Accommodations for Persons with disabilities. Individuals who need special assistance or a disability-related modification or accommodation to participate in this meeting, or who have a disability and wish to request an alternative format for the meeting materials, should contact Alisa Lembke, VCE Board Clerk/Administrative Analyst, as soon as possible and preferably at least two (2) working days before the meeting at (530) 446-2754 or Alisa.Lembke@ValleyCleanEnergy.org

VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE

Staff Report - Item 5

TO: Community Advisory Committee

FROM: Alisa Lembke, Board Clerk/Administrative Analyst

SUBJECT: CAC October 28, 2021 Meeting Minutes

DATE: November 18, 2021

Recommendation

Receive, review and approve the attached October 28, 2021 meeting minutes.

MINUTES OF THE VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE
MEETING
THURSDAY, OCTOBER 28, 2021
VIA TELECONFERENCE

Chair Christine Shewmaker opened the Community Advisory Committee of the Valley Clean Energy Alliance in a meeting on Thursday, October 28, 2021 beginning at 5:06 p.m. via videoconference pursuant to the Brown Act and Assembly Bill 361 (AB 361). At the October 14, 2021 meeting, the Board of Directors found that the local health official recommended measures to promote social distancing and authorized the continuation of remote meetings for the foreseeable future.

Welcome and Roll Call

Committee Members Present: Christine Shewmaker (Chair), Cynthia Rodriguez (Vice Chair), Yvonne Hunter, Marsha Baird, Gerry Braun, Mark Aulman, Lorenzo Kristov, David Springer, Jennifer Rindahl

Committee Members Absent: None

Welcome and Approval of Agenda

Mark Aulman made a motion to approve the October 28, 2021 meeting Agenda, seconded by Yvonne Hunter. Motion passed unanimously.

Public Comment / Introductions

Chair Shewmaker opened the floor for general public comments and on consent items. There were no written or verbal public comments on items not on the agenda and on Consent Agenda items.

Brief task Group and VCE staff Reports

Task Group Reports Chair Shewmaker announced that the Outreach Task Group will provide an update after the 10/14/21 and 10/21/21 Board meeting summaries have been provided. All other Task Groups will provide a brief summary.

Leg/Reg Task Group: Yvonne Hunter reported that they met last Friday. Mark Fenstermaker of Pacific Policy Group gave them an update on key things happening. The annex office which is attached to the historic part of the capital is being demolished. There will only be 2 rooms for hearings. There will likely be a bill limit for introduction of bills. There is a budget surplus of $14 billion. Next year is the second year of a 2-year session. There is an open seat on the California Public Utilities Commission (CPUC).

Programs Task Group: David Springer reported that the group met on October 20th. They talked about the budget and that due to financial resources, programs will be delayed. Other potential funding sources and potential EV program in more detail were discussed, and how to sign up more low-income customers for CARE/FERA. They are also exploring program funding assistance.

Rates Task Group: Lorenzo Kristov mentioned that rates will be discussed later during the regular portion of this meeting.

Carbon Neutral Task Group: Cynthia Rodriguez reported that they are still meeting every other week. VCE Staff Gordon Samuel provided the group a report on the status of the carbon free portfolio study and the group received a report from Energeia, USA (contractor performing the study).

10/14/21 regular and 10/21/21 special Board Meeting Summaries: Interim General Manager Mitch Sears provided a summary of the October 14, 2021 Board meeting: approved the Willow Springs Solar power purchase agreement (PPA); approved and reaffirmed the Community Advisory Committee (CAC) structure to include 3 at-large seats with a total of 11 total seats, as well as appointment of Lorenzo Kristov to an at-large seat; directed staff to move forward on changing from fiscal year to calendar year; and, received a briefing on cost-based rate structure and policy. The Board held a special meeting on October 21, 2021 set a special meeting to focus on short-term financial rate adjustments, where they approved a rate adjustment of about 2%, which equates to about $3-4/month for average residential usage. The rate adjustment will go into effect Nov 1, 2021. Lastly, the Board will consider expanded rate structure change at their November 10th meeting.

Outreach Task Group: Mark Aulman reported that they met twice since the last CAC meeting. The group discussed developing outreach messaging to the customers on the rate increase. VCE Staff will provide messaging for call center staff, the Board and the CAC. In addition, there will be messaging, either text or video, on the website homepage to be authored by one or more board members and it was discussed using an infographic to explain the effect of power charge indifference adjustment (PCIA) on VCE rates. All messaging needs to be consistent and clear. Similar rate changes by other CCAs have not resulted in material opt-out levels. Jim Parks remains on contract to assist. More information should be communicated when rate structure is finalized. Any CAC member or public should contact Mitch Sears or Rebecca Boyles.

Staff Report: Mr. Sears showcased the Renewable Energy Contracts graphic developed by staff and contractors showcasing VCE's PPAs. It demonstrates VCE going above and beyond compliance obligations for renewables. He also provided an update on CC Power, who has taken action to approve the first of the long-duration storage (8 hour+ battery storage) project. It is being negotiated and distributed to the CC Power members. VCE will bring project through our process to have Board consider whether to participate. Our share would be about 4 MW of storage, which coincides with a portion of the CPUC mandate for that type of energy storage.

Consent Items

Chair Shewmaker informed those present that in the August 26, 2021 CAC meeting minutes, it states that Yvonne Hunter was absent and that she provided the Leg/Reg Task Group report. This is incorrect and the minutes should reflect that Chair

Shewmaker provided the task group report. Cynthia Rodriguez made a motion to approve the October 28, 2021 Consent Agenda items with the September 23, 2021 meeting Minutes amended, seconded by David Springer. Motion passed with Yvonne Hunter abstaining. The following items were:

1. approved September 23, 2021 meeting Minutes as amended;
2. received customer enrollment update as of October 20, 2021; and,
3. received update on the Power Content Label Customer Mailer.

There were no written or verbal public comments.

Item 8: Consider Cost-Recovery based Policy and Customer Rate Structure. (Discussion/Action)

Mr. Sears reviewed background, budget and updated forecast, rate actions taken by other CCA's, proposed cost-based rate policy and structure [including portfolio/price (renewable/GHG content)], rate adoption process, schedule, Staff recommendation, and next steps. Lorenzo Kristov mentioned that the Rates Task Group has discussed with staff rates and understand the need for changes to address financial conditions. Chair Shewmaker opened the floor for questions by the other Members.

The CAC discussed financial models, load forecast, resource adequacy costs, rate structure, and possible need for additional policy discussions, Time of Use (TOU) rate changes, and outreach. Other areas of discussion in general included concern over the impact of the rate increase on certain customers; issues relating to NEM customers; concern over delay in implementing programs, such as EVs; and, desire to optimize, if possible, forecasts for load and budget as VCE goes forward.

Chair Shewmaker provided a recap of Staff's recommendation, which included three items: to adopt 1) a cost-recovery based rate policy, 2) a new rate structure with three customer options, and 3) automatically enroll CARE and FERA customers into the newly created Least Cost option. The CAC chose to break these into two main issues: the rates policy (1) and the rate structure (2) and (3).

The CAC discussed Staff's definition of rate policy: "VCE will set customer rates to collect sufficient revenue from participating customers to fully fund VCE's budget and establish sufficient operating reserve funds." They discussed in detail policy parameters of funding, budget, cap and trigger, and setting rates.

Lorenzo Kristov made a motion that the CAC recommend to the Board that they adopt a Proposed Cost-Based Rate Policy: "VCE will set customer rates to collect sufficient revenue from participating customers to fully fund VCE's budget and establish sufficient operating reserve funds" and, add a second sentence that the "Changes in rates are to be approved by the Board in consultation with the Community Advisory Committee". This motion was seconded by David Springer. Mr. Sears asked for clarification purposes, did the motion include the "implementing procedure". Mr. Kristov said that the motion is only the policy statement (definition).

There were no verbal or written public comments.

Motion passed by the following vote:
AYES: Shewmaker, Rodriquez, Hunter, Baird, Braun, Aulman, Kristov, Springer, Rindahl
NOES: None
ABSENT: None
ABSTAIN: None

The CAC moved on to discuss: 2) a new rate structure with three customer options, and 3) automatically enroll CARE and FERA customers into the newly created Least Cost option. Yvonne Hunter made a motion that the CAC recommend to the Board:
2. Adopt a new rate structure with three customer options: (1) Standard Green (default) and (2) UltraGreen (100% renewable) with rates based on cost-recovery and add a (3) least-cost customer rate option.
3. Automatically enroll California Alternative Rates for Energy (CARE) and Family Electric Rates Assistance (FERA) customers in the newly created least-cost rate option with an enhanced portfolio beginning in 2024.

This motion was seconded by Mark Aulman.

The CAC discussed rate structure with some concerns expressed about making sure there was a significant difference in the Renewable Portfolio Standard (RPS) between the Least-Cost option and the Standard Green option. There was no verbal or written public comment.

Motion passed by the following vote:
AYES: Rodriquez, Hunter, Baird, Aulman, Kristov, Springer, Rindahl
NOES: None
ABSENT: None
ABSTAIN: Shewmaker, Braun

Item 9: Introduction to community resiliency. (Informational)

CAC Member Lorenzo Kristov requested that this item be delayed until the next meeting. This item was tabled to the CAC's next meeting. Yvonne Hunter requested that this item be moved up on the agenda to earlier in the meeting.

Item 10: Review draft Committee Evaluation of Calendar Year (Discussion)

Each Task Group Chair summarized the group's work over the past year. And, the CAC reviewed the year-end report prepared by Vice Chair Rodriguez. It was noted that verbiage should be added to reflect that the CAC's charge was revised last year.

Yvonne Hunter made a motion to pass along all reports to the Board. Marsha Baird seconded the motion with a modification that the year-end report reflect that the CAC charge was revised last year as well in November 2020 so the background and

introduction sections need to be amended to reflect this. Ms. Hunter agreed to the motion modification.
Chair Shewmaker noted that it will be up to Staff as to when the reports will be provide3ed to the Board. There is no written or verbal public comment.

Motion passed by the following vote:
AYES: Shewmaker, Rodriquez, Hunter, Baird, Braun, Aulman, Kristov, Springer, Rindahl
NOES: None
ABSENT: None
ABSTAIN: None

Item 11: 2021 Long Range Calendar. (Informational)

There were no written or verbal public comments.

Chair Shewmaker announced that VCE has agreed to support any CAC member who is interested in attending the virtual CalCCA annual meeting, scheduled for Wednesday, December 1st. The Board Clerk will send out the invite and due date. She also reminded those present that the CAC Chair/Vice Chair selection will occur at the December meeting. The CAC will receive updated information on customer rate policy structure at their November 18th meeting. The community resiliency item will be placed on the November meeting agenda.

Advisory Committee Member and Announcements

Chair Shewmaker opened the floor for announcements. Gerry Braun informed those present that he attended the Board's October meeting where they took up the major procurement recommendation from staff. Carbon Neutral Task Group had heard a little about it. Mr. Braun was moved to provide input at the board meeting. He would like to share an email, provide input and share his preliminary ideas about a CAC November agenda item. Also, he heard at the board meeting about ongoing discussions with other CCAs. He would like to know more about what those discussions were about.

Yvonne Hunter informed those present that EV chargers are operational in Winters and that there is an event in Winters tomorrow, which VCE will be attending.

Adjournment to Next Meeting

The meeting adjourned at 8:13 p.m. The CAC's next meeting is scheduled for the 3rd Thursday on **November 18th at 5 p.m.** due to the Thanksgiving holiday. The December meeting has been scheduled also for the 3rd Thursday on **December 16th at 5 p.m.** due to the Christmas holiday. Thanks to everyone for participating.

Alisa M. Lembke
Board Clerk/Administrative Analyst

VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE

Staff Report – Item 6

TO: Community Advisory Committee

FROM: Rebecca Boyles, Director of Marketing & Customer Care

SUBJECT: Customer Enrollment Update (Information)

DATE: November 18, 2021

RECOMMENDATION

Receive the Customer Enrollment update as of November 10, 2021.

Attachment:

1. November 10, 2021 Customer Enrollment update

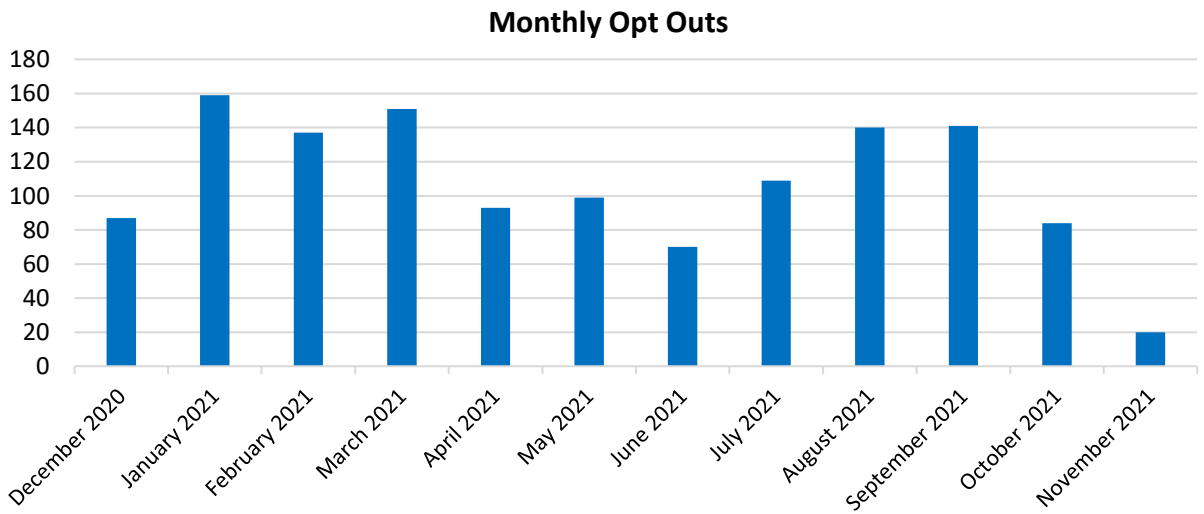
Item 6 - Enrollment Update

	Davis	Woodland	Winters	Yolo Co	Total	Residential	Commercial	Industrial	Ag	NEM	Non-NEM
VCEA customers	28,028	20,665	2,502	10,786	61,981	53,955	6,053	7	1,878	10,517	51,464
Eligible customers	29,311	23,724	2,792	12,353	68,180	59,252	6,663	7	2,154	11,621	56,559
Participation Rate	96%	87%	90%	87%	91%	91%	91%	100%	87%	90%	91%

There are currently 30 Winters customers not included in this table. NEM will enroll throughout 2021.

% of Load Opted Out

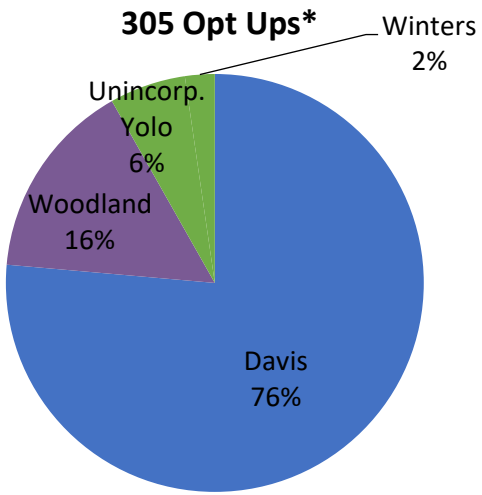
Residential	Commercial	Industrial	Ag	Total
10%	9%	0%	13%	10%

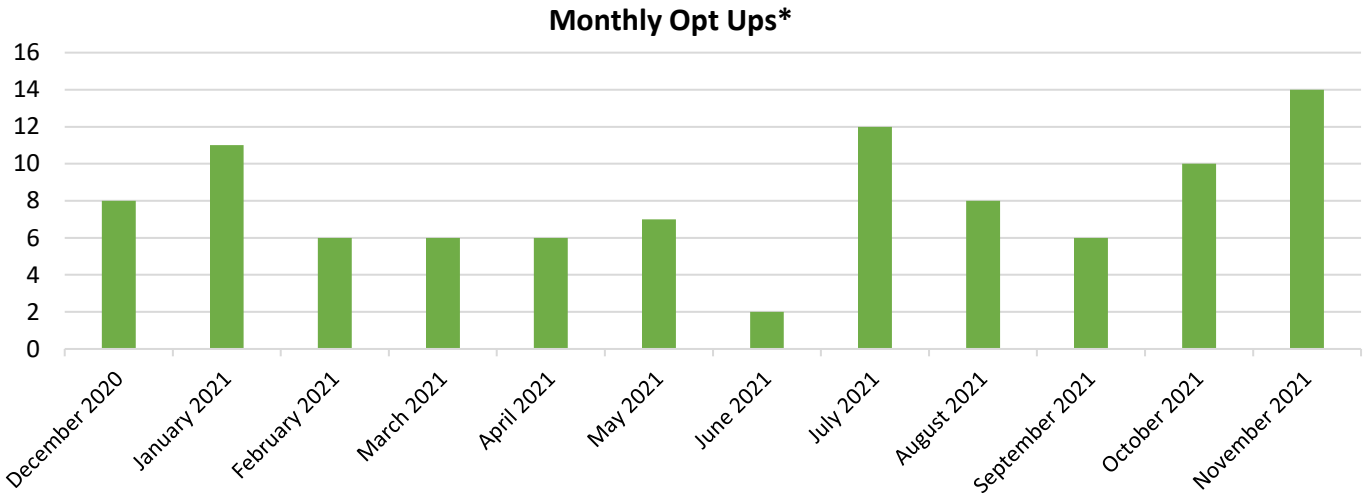


Status Date: 11/10/21

VALLEY CLEAN ENERGY

Item 6 - Enrollment Update



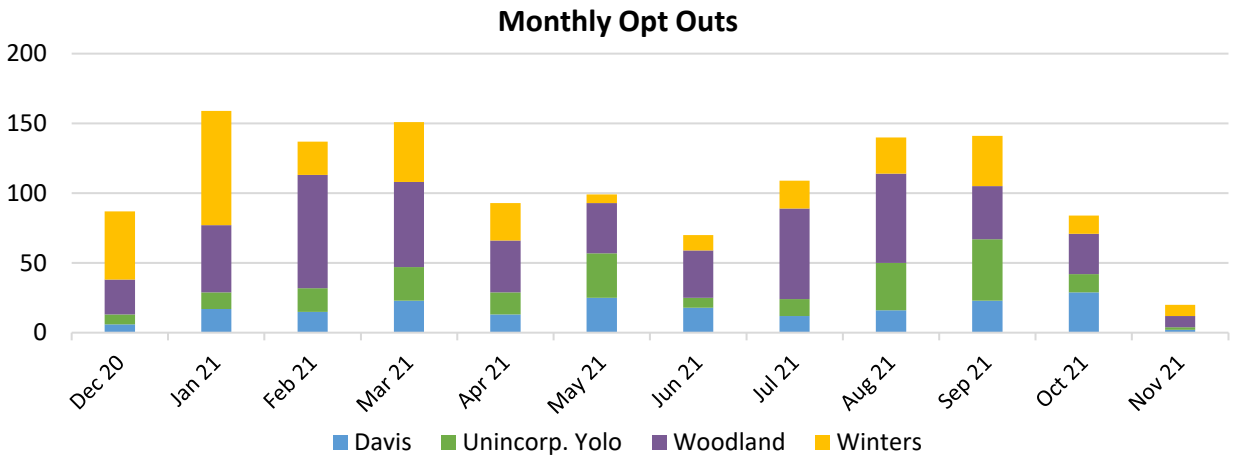


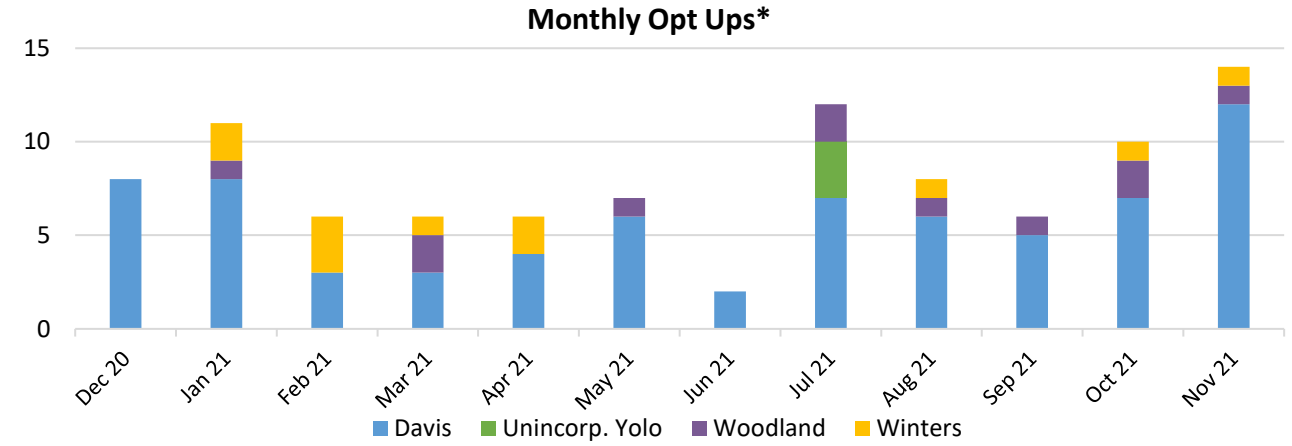
* The numbers in the pie chart represent opt ups for customers who are currently enrolled. The numbers in the bar graph represent opt up actions taken regardless of current enrollment status.

Status Date: 11/10/21

VALLEY CLEAN ENERGY

Item 6 - Enrollment Update



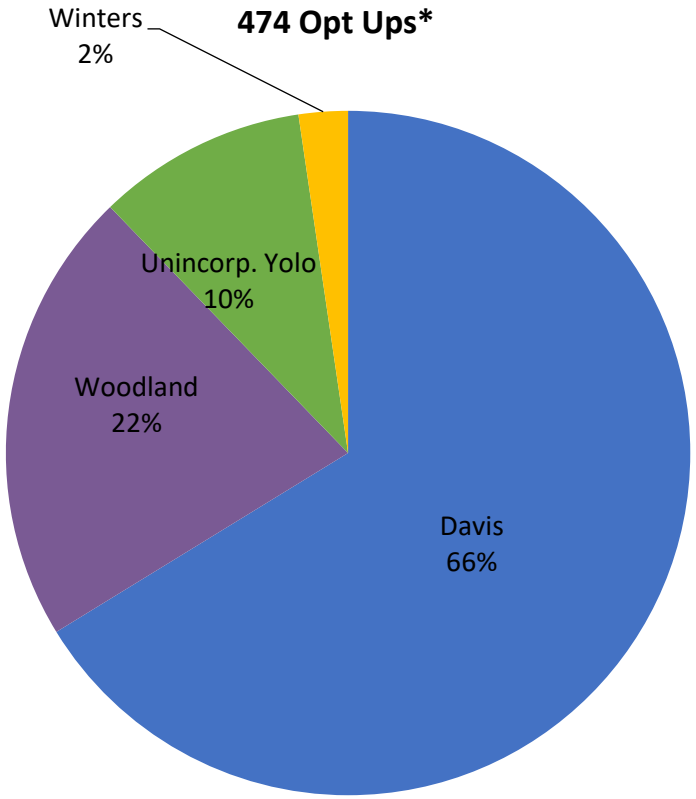


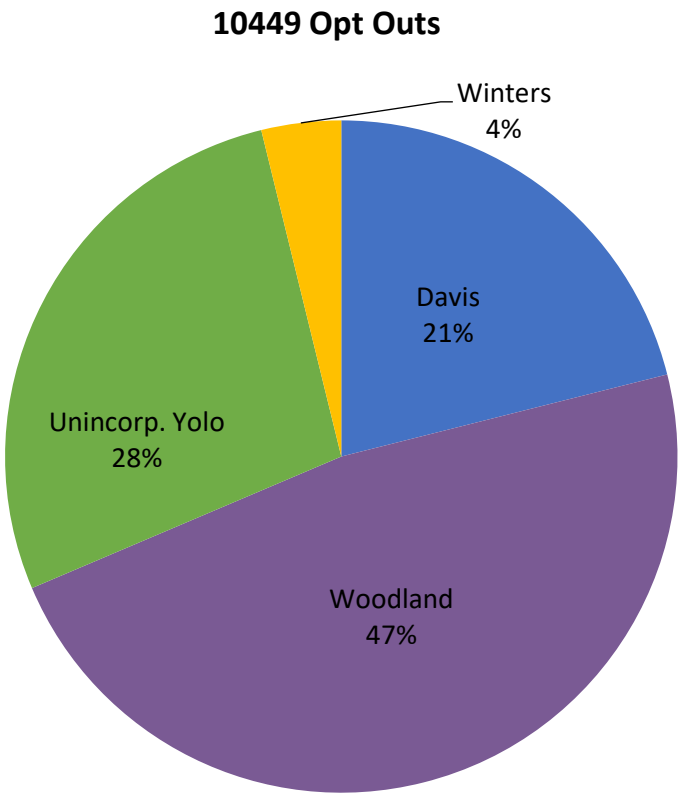
* These numbers represent all opt up actions ever taken regardless of current customer enrollment status.

Status Date: 11/10/21

VALLEY CLEAN ENERGY

Item 6 - Enrollment Update





* These numbers represent all opt up actions ever taken regardless of current customer enrollment status.

Status Date: 11/10/21

VALLEY CLEAN ENERGY

VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE

Staff Report – Item 7

TO: Community Advisory Committee

FROM: Mitch Sears, Interim General Manager
Rebecca Boyles, Director of Customer Care and Marketing

SUBJECT: SACOG Grant - Electrify Yolo Update

DATE: November 18, 2021

RECOMMENDATION
Informational item. The purpose of this report is to give an update on the status of the Electrify Yolo (SACOG grant) project.

BACKGROUND
In December 2018, the Sacramento Area Council of Governments (SACOG) authorized the award of a Green Region grant in the amount of $2,912,000, representing the regional "Electrify Yolo" project, with the purpose of installing publicly accessible electric vehicle (EV) charging stations. Originally, only VCE and the City of Davis were involved, and Woodland, Winters and unincorporated Yolo County joined the project prior to submitting the grant application in August 2018. The City of Davis distributed funds to each entity once the Memoranda of Understanding (MOUs) were approved by each jurisdiction. All projects are to be finished by December 31, 2023. VCE is coordinating quarterly meetings among project partners, and the next meeting will be in January 2022.

UPDATE
EV charger installations have been subject to some delays, including impacts from the COVID-19 pandemic. All MOUs were signed (Davis, VCE/Winters, Woodland, unincorporated Yolo County) as of April 2021, and some EV charger installation projects have begun.

The City of Davis and Frontier Energy held a kickoff meeting on June 29 and anticipate moving very quickly on this project. The analysis and design are estimated to take approximately 3 months once the agreement is signed.

The City of Winters finalized a contract with Ample Electric to install the charging infrastructure: two level 2 Blink chargers at the community center and one level 2 and one DC fast charger at the First/Abbey parking lot. The two level 2 Blink chargers have been installed at the community center, and are open for public use. A temporary construction banner has been placed at the site to inform customers of the partnership (including all partner logos), and a permanent sign has been placed as well, displaying VCE, Winters and SACOG logos. The

First/Abbey project (near Winters Hotel) should be completed by Q4 2021, but may be subject to delays.

Due to competing priorities and staffing issues, Woodland has not yet moved forward with their project; however, they remain committed to completing the project on time.

Yolo County is in discussion with ChargePoint about the feasibility of completing the project from beginning to end. There are a number of potential County-owned sites under consideration for charger locations, as well as solar-powered mobile chargers being considered.

VCE Staff is working with each jurisdiction to design banners to be hung at each charging station with logos of all project partners. These banners will inform members of the public that there will be EV chargers coming soon in that location and aim to increase the public's brand association with VCE and electric vehicles.

VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE

Staff Report - Item 8

TO: Community Advisory Committee

FROM: Alisa Lembke, Board Clerk/Administrative Analyst

SUBJECT: Introduction to Community Resiliency (Informational)

DATE: November 10, 2021

This staff report transmits for your information and review draft "Resilient Community Vision" provided by CAC Member Lorenzo Kristov. He will present further information in a slide presentation at the meeting.

Attachment:

1. Draft Resilient Community Vision

Resilient Community:
A concept and vision for community action, city planning and state policy for the 21st century

Introduction

Resilience for a community or a city is the ability to maintain essential quality of life functions and services for its residents when a severe disruptive event or sequence of events occurs. We mostly tend to think of a disruptive event as a sudden occurrence, like an extreme weather or environmental calamity such as a hurricane or widespread fire. But resilience is also needed to withstand disruptions that unfold over time, like the erosion of local jobs and tax revenues a city could experience due to a gradual loss of viable local businesses or the decline of a major local employer. This paper considers both types of disruptions in identifying elements of a resilient community. Resilience thinking for the 21st century needs to consider risks of economic and political volatility as well as climate and ecosystem instability.

Resilience is fundamentally a local capacity. No matter how widespread a disruption's impacts may be, people will always have to deal with immediate, on-the-ground impacts that affect lives and infrastructure in their local areas. Nevertheless, strategies and policies for building resilient communities must be both bottom-up and top-down. This vision therefore describes elements of resilience in a sequence of six concentric layers, from the individual family or building through the local government level up to the level of state policy. Local governments are varied and unequal in their ability to implement resilience measures, so state policy actions are needed to promote resilient communities, for example by investing in local capacity to implement resilience projects, facilitating knowledge sharing and replication of successful projects, and ensuring that no communities are left behind in building greater resilience.

The elements of the vision offered here are illustrative ideas based on some current practices for building resilient communities, but are not the last word. This paper is intended to stimulate a broader conversation about what resilience means and the reasons why it is important, and an exploration of strategies and policies we can undertake for building resilience at each level of our social and economic systems. The next section envisions a resilient community in the year 2030, as if the elements of resilience at each level have been implemented. Such is the nature of a vision: it offers a picture of the desirable destination, setting aside for later discussions the strategies, decisions and actions needed to get us there. The last section explains some key concepts and technical definitions that comprise this vision.

Envisioning a Resilient Community in Concentric Layers

The concept of resilient community draws heavily on biological and ecological models, the ways nature designs complex adaptive systems, such as complex organisms like ourselves as well as ecosystems consisting of hundreds of species. One of nature's core system design principles is hierarchical structure, whereby functional integrity is maintained at multiple levels of the system. Thus the resilient community vision starts with resilience at the level of a single household or

building, then moves up to the small group of neighbors that comprise a residential block or small apartment complex, then a larger neighborhood of perhaps a couple hundred households, then to an entire city. The city is a key level of the resilience hierarchy because city government is typically responsible for providing essential services like water, sewer, waste management, safety, emergency response, and more. The city or county level is also where planning occurs (development, land use, transportation, building codes, etc.), and several of the strategies for strengthening resilience need to be taken on as planning elements. Continuing up the resilience hierarchy, the next level is the county or multi-county region, followed by the entire state. We could continue further to consider the national, inter-national and planetary levels, but this paper stops at the state level. State government is the logical locus of responsibility for strengthening resilience in all communities across the state through policies and programs to correct for local economic and resource disadvantages and promote environmental and economic justice.

The individual household or building level

At this level the focus is on energy, water, waste and design. There are many models available for detailed exploration; this is just a basic list of key features.

1. Each building minimizes its energy consumption (with energy efficiency retrofits, or requirements and codes applied to new construction), with passive means including insulation, solar panels, thermal and battery storage, electric vehicle charging, smart appliances and automated energy management systems.
2. Each building's resource use is configured within the context of the surrounding buildings and community. For example, a family's decision to install solar panels will consider the overall pattern of solar exposure and shade trees in the local area.
3. Rooftop solar systems are sized to maximize use of available solar radiation rather than limited to the needs of the building. Excess solar production is stored on-site or in community-level storage facilities, or exported to neighboring buildings; thus "zero net energy" (ZNE) is a community-level rather than individual-building principle, to avoid conflicting incentives for rooftop PV versus shade trees.
4. Each building performs all its necessary functions without using fossil fuels of any kind. Natural gas service is discontinued as all energy uses are electrified, and fire risk is reduced as a result.
5. Each building is part of a micro-grid or is wired to be "micro-grid ready." (The defining feature of a micro-grid is the ability to disconnect from the bulk electric system and operate as an electrical island, and then reconnect and resume grid operation at a later time; see definitions at the end of this paper.)
6. Each building has smart electric vehicle charging that works in concert with energy storage to maximize local use of renewable energy production, and can be coordinated with other charging stations in the neighborhood to smooth demand on the electric grid.
7. Each building minimizes the amount of solid waste that is removed from the premises, e.g., by composting either on premises or within the neighborhood.
8. Each building captures and uses grey water on the premises.

9. Each building captures and retains a substantial amount of rain and storm water, for on-site infiltration and irrigation.
10. New residential construction incorporates street-facing porches and other architectural and landscape features to facilitate block-level interactions.
11. All buildings incorporate landscaping features designed for low water usage, locally native plants, and minimal production of green waste.

The block level

A block is approximately 6-12 houses or housing units on both sides of a residential block or cul-de-sac. The emphasis at this level is to develop a very local sense of community and interdependence, both for practical purposes like sharing food, tools, child care, etc., and for intangibles like a feeling of greater security.

12. Everybody knows everybody by name, which house they live in, the names of their children and pets. They pay attention to comings and goings, provide mutual help as needed, and notice and welcome strangers appearing on the block.
13. Each block has shared green spaces, benches and areas for hanging out outside and conversing on warm evenings.
14. Residents on each block share a garden space, chicken coop or small fruit orchard, and share produce from their personal gardens.

The neighborhood level

The neighborhood is approximately 100-300 houses or units of a residential complex, though there are no set guidelines and each neighborhood will have to determine the most sensible way to define its boundaries. A neighborhood will have public gathering spaces and commercial businesses and services in addition to the residences. The emphasis at this level is to develop a collective “sense of place” or neighborhood identity, to which all residents and businesses contribute by participating in neighborhood-based activities and improvement projects.

15. Each neighborhood has a small team of residents (approx. 4-10 people) who coordinate events, activities, and projects to enhance quality of life in the neighborhood. These teams do not do everything, however; they are organizers and facilitators, but several dozen people or more come out for community meetings and help conduct events and projects. Events enjoy wide participation by neighborhood residents and businesses, as well as visitors from other neighborhoods.
16. A city-wide program has facilitated the identification and formation of the neighborhood teams and provides ongoing support to disseminate ideas and information, as well as grant funding opportunities for projects.
17. Each neighborhood holds monthly pot-luck gatherings at a regular date and time each month, at rotating locations at different people’s houses, or in public spaces when weather allows.
18. Each neighborhood has both outside and inside gathering spaces for meetings and events. Neighbors may have designated a special “green heart” of the neighborhood, a primary gathering space for major events like seasonal bazaars and celebrations.

19. Each neighborhood has been designed for walkability and frequent interaction – wide sidewalks, street-side green spaces, traffic calming measures, benches and gathering areas.
20. Each neighborhood has been designed to maximize local capture and infiltration of storm water.
21. Each neighborhood has a shade tree plan to ensure proper care of trees in dry seasons and removal and replacement of dying trees to maintain desired shade cover.
22. Each neighborhood has little free libraries, tool-sharing, a free-cycle facility and vehicle-sharing arrangements.
23. There is an email list-serve or other communication vehicles that include all residents, for announcements, requests for assistance, etc.
24. There is a directory of the occupations and shareable skills of all residents to facilitate provision of services among residents; i.e., a local economy to exchange some portion of essential goods and services, mediated by a locally-managed accounting system.
25. Each neighborhood has several local businesses, such as grocery or general store, restaurants or cafes, a laundry, repair services and workshops.
26. Each neighborhood has one or more community gardens, chicken coops, local energy facilities (e.g., solar + storage), and organic waste is fully utilized locally rather than picked up and transported elsewhere.

The city level

The emphasis at this level is on all the normal functions of a city government, i.e., provision of essential municipal services, planning, engaging community participation in governance, adoption of longer-term goals and implementation of ordinances, programs and project plans to enhance the quality of life in the city. The city level is also where government and citizens come together to address serious concerns such as homelessness, health care access, mobility, local business conditions, restorative justice, coordination and joint planning with any major resident institutions such as a university campus, etc.

27. The city's net carbon footprint (transportation, buildings and energy) has been reduced to zero, and the city is a net exporter of carbon free energy during summer months.
28. The city's databases are rich, well managed and easily accessed for purposes of planning and operation of services provided by the city and in partnerships with other entities. The city has active data sharing agreements with privately-owned utilities and other local infrastructure owners, resulting in more efficient and economical siting and integrated operation of facilities and systems.
29. Through a community choice energy program the city has implemented local renewable generation and energy storage systems, energy efficiency programs, electric vehicle charging stations, and other initiatives to electrify transportation, buildings, commercial and agricultural activities. Several of these have involved collaboration with the electric distribution utility.

30. The city has implemented, in collaboration with the electric utility, a city-wide fiber-optic network that serves to provide high-speed internet service to the entire city while also modernizing the utility's electric distribution grid to reliably operate with diverse local energy facilities.
31. The city has implemented a zero-waste program; solid waste removed from the city is minimal; waste removed from individual premises is used within the city for its nutrient, energy and material content.
32. A central downtown core is closed to private motor vehicles, except for designated routes for commercial deliveries and mobility services for individuals.
33. The city has established a city-wide uber-like mobility service that is municipal or coop-owned and operated (e.g., Ride Austin); this eliminates the need for residents to drive personal vehicles to access city businesses and services.
34. Buildings in the downtown core are generally multiple stories tall with commercial spaces on ground and 2nd floors and residential units on upper floors. Many city residents both live and work in the core area.
35. The city has implemented strategies for keeping wealth generated by the community within the community, to minimize the wealth and income that flow out to absentee investors.
36. The city has a local community bank, or participates in such a bank at the county or multi-county level, that is dedicated to meeting the financial needs of local businesses and residents.
37. The city has collaborated with the electric distribution utility to plan and install electric vehicle rapid-charging stations at key locations. Electricity rates encourage workplace vehicle charging so that a large share of daytime solar energy production is used locally.
38. Municipal services have been designed and are operated as a whole system to take advantage of synergies and interconnections among services. This "convergence" model includes water supply, wastewater and solid waste management, telecommunications, safety and security, fire protection, energy, local transportation, local media and public spaces.
39. The city, in collaboration with the county and several neighboring cities, has eliminated homelessness by providing safe and adequate housing for all, combined with meaningful work and education opportunities, medical and mental health care.
40. The city is ringed by locally owned and operated small farms, which supply a significant proportion of locally consumed food. Food procurement by the city, the school system, and other government functions relies primarily on local producers.

The county or multi-county level

The focus at this level is twofold: first, to recognize when concerns facing a city are actually concerns for a broader geographic area and are best addressed through an inter-government collaborative approach, and second, to find opportunities for synergies and efficiencies by creating shared programs or infrastructure for activities normally specified for the city level. Joint Powers Agencies (JPAs) are useful structures for such activities.

41. Local jurisdictions in the area collaborate to support local regenerative agriculture, e.g., through "slow money" investment/lending groups, procurement of local food for schools, hospitals and municipal needs, and economic incentives that encourage agricultural methods that regenerate healthy soil.
42. Local jurisdictions collaborate to minimize food waste, e.g., through collection and redistribution of "expired" and other food culled for non-health-related reasons.
43. The county or region has implemented a plan for preserving habitat diversity, including wooded areas and wildlife corridors.

The state level

The focus at this level is for the state government to formally recognize "resilient communities" as a central policy objective for the 21st century and to provide legislation to implement and fund activities and projects across the state to build resilience in all communities.

44. The Legislature and Governor have adopted "resilient communities" as a statewide policy goal, complementary to greenhouse gas reduction, fossil-fuel elimination and renewable energy, and have authorized and funded programs to strengthen local capacity and implement projects for local resilience and local energy throughout the state.
45. To further resilient communities, the state has established standards and scalable models for constructing nested systems of electric micro-grids in all local jurisdictions (see definitions below). Privately-owned electric utilities have become partners with local governments to implement such systems.
46. The state has established a state bank that serves businesses and local governments, to enable them to fund capital investments and public projects without having to rely on national financial markets and institutions.

Concepts, technical terms, and definitions

Resilience

Resilience is the ability of a system to maintain its intended functions and continue to provide services when severe disruptive events occur. In the context of a community or a city, we think of electric service, water supply, telecommunications, emergency and rescue services, shelter, food and medical services, safety and security. Resilience is fundamentally a local capability: no matter how geographically widespread a disruptive event may be, people in each affected locale have to deal with immediate, on-the-ground, possibly life-threatening impacts where they live.

Resilience also has a longer-term meaning. Some disruptions unfold over months or years – think of instances where a town's major employer moves overseas, or a region's industry such as coal mining comes into direct conflict with the health of crucial life-support systems of the earth. A resilient community is one that enables its members to sustain their lives and meet essential needs through local economic activities that provide necessary goods and services without having to rely totally on the diminishing wage-economy to purchase goods imported from other areas by large corporate enterprises. Think of local food production, medical care, building and housing trades, education, music and arts, transport services, etc.

Resilience must be designed at multiple concentric levels, with interactive relationships between the levels. In this document, the sequence of six concentric levels from lowest to highest is: household => block => neighborhood => city => county or multi-county region => statewide.

Resilience and sustainability. These are distinct and complementary concepts, much like the distinction between climate change adaptation and climate change mitigation. Resilience has an adaptive flavor to it, i.e., to strengthen local capability to deal with disruptive weather and other events more likely to occur in the coming decades due to ecosystem damage that has already set certain global forces of change in motion. Sustainability and mitigation are similar, in the sense of making permanent changes to human practices related to energy, agriculture, etc., so as to eliminate those practices that disrupt our ecosystems so we can stop making things worse and start to reverse the damage. Thus resilience entails getting ready for what's already begun happening and will likely get worse no matter how quickly we stop using fossil fuels, whereas sustainability means reformulating social and economic institutions and practices and individual behavior to live in harmony with the ecosystems that sustain life.

Some relevant principles

Zero waste means the amount of waste materials a city or county sends "away" to a landfill or to be exported to recycling commodity markets is as close to zero as possible. Instead, materials are used locally for their energy or nutrient content and as repurposed construction or other uses.

Zero net energy means the amount of energy a building or other end-use consumes over a given time period, typically a year, net of its own energy production, is zero. ZNE should be applied at level of neighborhood, campus, micro-grid or whole city, rather than the individual building, to take advantage of diversity of end-use patterns, solar radiation, etc.

Zero net carbon is a more powerful principle than zero net energy as it includes all activities that contribute to carbon emissions, not just those directly associated with energy. Net carbon analysis must also consider life-cycle emissions, not just emissions generated at the end-use level. Concrete is a good example. Production of concrete involves massive carbon emissions starting with the mining of limestone.

Electrification. Broad and deep reduction in greenhouse gas and other pollutant emissions requires that fossil-fuel-using functions be converted to using electricity, along with conversion of the electric system to renewable energy. This includes electrification of transportation, buildings, and agricultural, commercial and industrial activities. What electrification proponents often fail to acknowledge is that most such conversion efforts will need to be addressed in the context of city and county planning efforts, and will have impacts on the electricity grid at the level of the local distribution systems. Electrification will therefore require partnerships between local governments and electric distribution utilities.

Convergence. Modern advances in communication and control technologies for complex systems enables formerly separate municipal services to be "converged" – designed and managed as elements of a whole system. For example, a common communications network can provide real-time operational information for water supply, electric service, wastewater treatment, emergency services and high-speed internet access. The same network can also collect billing information for municipal services. Solid waste and wastewater streams can provide nutrient inputs for agriculture and energy input for producing electricity and fuels.

Localization. The deliberate process of strengthening local production of essential goods and provision of essential services, while reducing reliance on purchases of goods delivered over great distances and provided by corporate entities whose primary objective is to maximize profits for distant shareholders. Localization is at the core of community resilience to longer-term disruptions such as gradual degradation of ecosystems, decline of major employers, and the impacts of economic boom and bust cycles.

Micro-grids

A micro-grid is a group of interconnected loads and distributed energy resources within clearly defined electrical boundaries that acts as a single controllable entity with respect to the grid and that can disconnect from and re-connect to the grid to operate in either grid-connected or island mode.

Micro-grid ready means the building has installed control systems to enable it to interface as a single controllable entity with the larger electric grid, so that it can be incorporated into a micro-grid without requiring significant upgrades or retrofits.

A single-user micro-grid is an electrical unit that serves a single energy end-user, such as a single-family residence at the lower size range, to a university or medical center campus at the higher size range.

A multi-user micro-grid is an electrical unit that serves multiple energy end-users. An example is a community micro-grid that serves all the residences and businesses in a neighborhood, or a commercial or industrial park that serves multiple businesses.

Nested systems of micro-grids are arrangements of smaller micro-grids within larger micro-grids, designed to disconnect and operate in island mode at whatever level is needed for the given situation. Typically, the lowest level micro-grid would be an individual building such as a residence or a portion of a larger building. A city implementing a nested system of micro-grids for resilience could, for example, have individual micro-grids at the local hospital, fire station, police station, city hall, an emergency shelter, a pharmacy, one or more schools. At the next higher level, a micro-grid arrangement could be comprised of several of the above individual micro-grids plus all the residences and businesses within the same electrical area, with control systems that enable the entire area to function as a single entity at its connection point to the larger utility electric system.

VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE

Staff Report – Item 10

TO: Community Advisory Committee

FROM: Mitch Sears, Interim General Manager
Gordon Samuel, Assistant General Manager & Director of Power Services

SUBJECT: Valley Clean Energy's Policy regarding PG&E allocation of Greenhouse Gas (GHG)-free (Large Hydro and Nuclear) resources to Community Choice Aggregators

DATE: November 18, 2021

RECOMMENDATION

1. Accept the 2022 allocation of large hydro carbon free attributes paid for by VCE customers;

2. Reject the 2022 allocation of nuclear power carbon free attributes; and

3. In the event the future attributes (2023 and beyond) are made available to VCE and there are no material changes in VCE's position, recommend that the Interim General is authorized to finalize, execute, and sign all agreements with PG&E on behalf of VCE and in consultation with legal counsel.

PURPOSE

The purpose of this report is to provide background and solicit feedback from the Community Advisory Committee (CAC) regarding the GHG-free allocations from PG&E for 2022 and beyond. Staff plans to take this feedback and make a recommendation to the VCE Board in December 2021. The current proposal is for 2022, but staff is interested in the CAC's viewpoint on extending the approval to encompass future years if the allocations become available.

BACKGROUND

PG&E owns or contracts for a number of GHG-free resources (including large hydro and nuclear from Diablo Canyon Power Plant). PG&E has been able to count these resources on its power content label (PCL) to meet its GHG-free targets. Load serving entities (LSEs), on the other hand, have been paying for those same assets through Power Charge Indifference Adjustment (PCIA), yet do not receive any of the GHG-free benefits – this includes VCE.

In mid-2019, CCAs approached PG&E to discuss whether PG&E would be agreeable to selling energy from their large hydro facilities[1]. PG&E ultimately refused to make sales in 2019, but subsequently approached CCAs and offered to allocate GHG-free resources (nuclear and large hydro) to CCAs and other eligible load serving entities (LSEs).

Eventually the allocations became available in 2020, and the VCE Board elected to receive the large hydro only attributes. This became effective in the third quarter of 2020 and VCE received approximately 24,000 MWHs in 2020. For 2021, VCE has received 13,000 MWHs from February through June and anticipate a total of approximately 25,000 – 30,000 MWHs (note: VCE will not know the final 2021 numbers until Q2 2022).

There is no obligation to accept this allocation of GHG-free attributes. An LSE can choose to accept neither resource pool, one or the other, or both. The volume that each LSE receives will ultimately depend on the volume of electricity generated by each resource pool and the proportion of PG&E's load served by the LSE.

TENTATIVE SCHEDULE

2022 Carbon Free Sales Tentative Timeline	
November 1, 2021	• Notice Issued
Up to Week of November 15, 2021	• PG&E will provide Eligible LSEs with 2022 Sales Agreement for review
Wednesday, November 24, 2021 (***ACTION REQUIRED***)	• Feedback on form Sales Agreement due to PG&E
Up to Week of December 13, 2021 (***ACTION REQUIRED***)	• PG&E will provide Eligible LSEs Offers and a final version of 2022 Sales Agreement • PG&E and Eligible LSEs will execute 2022 Sales Agreement
January 1, 2022 (*pending execution of Sales Agreement*)	• Expected start of Delivery Period under 2022 Sales Agreement
Week of June 14, 2022 (*approximation*)	• First Quarterly Report for 2022 with estimated Allocation Amount will be distributed
On or about April 15, 2023	• Final Report for 2022 will be distributed to participating LSEs

NEXT STEPS

Staff intends to accept the Large Hydro allocations from PG&E and make recommendation to the Board in December in order to be prepared for the above schedule. In addition, if this allocation

[1] Large hydro and nuclear resources count as GHG-free on the power content label (PCL), and investor-owned utilities (IOUs) have been benefiting from counting those resources to meet their GHG-free targets. LSEs, on the other hand, have been paying for those same assets through PCIA, yet do not receive any of the GHG-free benefits through the PCL.

process continues beyond 2022, determine if staff should seek approval from the Board to include future years.

VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE

Staff Report – Item 11

TO: Community Advisory Committee

FROM: Mitch Sears, Interim General Manager
Gordon Samuel, Assistant General Manager & Director of Power Services

SUBJECT: Near-term Procurement Directives and Delegations for 2022 Power Procurement Activities

DATE: November 18, 2021

BACKGROUND AND ANALYSIS
On January 14, 2021, the Board approved VCE's Procurement Directives and Delegations of Authority which established the near-term procurement plan for 2021.

The intent of this staff report is to update the approval of delegations necessary for VCE and SMUD staff to continue procurement activities on behalf of VCE's power supply portfolio. This update provides a high-level overview of the products necessary to meet compliance obligations and maintain a balanced power portfolio while meeting power supply portfolio targets set by the VCE Board.

Principles Guiding Procurement Directives and Delegations of Authority
The procurement directives and delegations of authority will be guided by the following principles and allow VCE and SMUD staff to:

- Meet VCE's compliance, regulatory, and business practice requirements under the California Public Utilities Commission (CPUC), California Independent System Operator (CAISO), and other relevant regulatory agencies;
- Satisfy the power supply portfolio targets set by the VCE Board;
- Minimize the potential risk exposure of the portfolio, according to practices defined in VCE's Wholesale Energy Risk Manual;
- Provide the appropriate amount of administrative flexibility for staff to carry out procurement actions.

Product Categories

Resource Adequacy

As a CPUC jurisdictional Load Serving Entity, VCE is required to meet the compliance obligations of the Resource Adequacy (RA) program. The RA program ensures sufficient resources are available to support the anticipated demand in California. The CPUC along with CAISO administer the program and define the requirements necessary to meet reliability standards. VCE is allocated its share of obligations based on its load ratio of PG&E's service territory. The delegation for this product allows VCE to meet its RA obligations in a timely manner, support reliability of the grid, and avoid financial penalties. It also allows for the sale of RA when VCE has a long position.

Renewable Energy

CPUC sets minimum renewable energy requirements under its Renewable Portfolio Standards (RPS) program. Along with meeting any annual renewable targets set by the Board, VCE is obligated to adhere to required renewable percentages over the CPUC-defined compliance periods. Some of this renewable energy obligation will be met with Power Purchase Agreements (PPAs) for resources that are still under construction (e.g. Resurgence 90MW solar, 75 MW battery project), as well as online resources (e.g. Indian Valley hydro and Aquamarine Solar). The rest of the requirements can be met with short-term purchases of RPS-qualified energy from existing resources in the market. The delegation approvals are designed to allow staff to procure around the uncertain new resource online dates to meet renewable energy portfolio targets. Procurement of these short-term purchases of RPS-qualified energy are expected to diminish in future years as VCE's long-term PPA's displace the need.

Carbon-Free Energy

Carbon-Free energy is a voluntary product that reduces the carbon content of VCE's power supply. This comes mainly from large-hydro generation resources that do not qualify as Renewable under the RPS program. The delegation for this product allows staff to procure enough carbon-free energy to meet the target set by the Board, taking into consideration the uncertainty of annual PG&E carbon-free allocations.

Price Hedging Energy

Purchasing energy on a forward basis allows VCE to fix some of its power supply costs ahead of more volatile and uncertain spot market prices. A procurement milestone is set to ensure the targeted amount of energy hedging is completed in a timely manner. Under VCE's Enterprise Risk Management Policy, VCE's Enterprise Risk Oversight Committee (EROC) reviews and provides guidance to staff on the timing and execution of the hedging strategy to meet procurement directives and minimize budget exposure.

CAISO Market Energy and Congestion Revenue Rights

CAISO Market Energy is scheduled for VCE daily into the Day Ahead Market, as required by the CAISO, based on daily forecasts of VCE hourly wholesale loads. SMUD staff currently purchase and sell energy on a daily basis to maintain balance between forecasted demand and supply.

Congestion Revenue Rights (CRRs) are financial instruments allocated by the CAISO to Load Serving Entities for the purpose of hedging the cost of transmission congestion between generation sources and load. Although CRR portfolio management can be quite complex, with auction mechanisms involving multiple hubs on the system, this delegation allows VCE's portfolio manager to only nominate CRRs that are directly related to VCE's supply portfolio. VCE is restricted to participation in the allocation process that does not involve price bidding or speculation.

Portfolio Composition Approach

VCE's portfolio management strategy is evolving as its portfolio matures. VCE has signed multiple long-term renewable PPAs, contributing to the renewable composition of the California grid. Renewable PPAs bring a level of uncertainty regarding construction completion and online dates, as well as annual output. Whereas VCE's early procurement actions focused primarily on firm volume deliveries from existing generation assets, VCE will be the off-taker of variable output resources under the long-term agreements. Once all PPA assets are online, VCE anticipates exceeding renewable targets set by the California RPS program. But the uncertainty during the transition to new resources complicates the achievement of internal portfolio targets. Irrespective, VCE is required to achieve the renewable target for the California RPS program compliance period and is on course to meet these minimum requirements. The upcoming RPS compliance period is 2021-2024.

PG&E's carbon-free allocations will continue into calendar year 2022, and these carbon-free allocations are expected to contribute to VCE's carbon-free portfolio content in the form of large hydro resources paid for by VCE customers in the Power Charge Indifference Adjustment (PCIA). However, the exact volumes of these resources will not be certain until after the calendar year is complete.

Procurement Directives

Taking into account the considerations outlined in the sections above, Table 1 shows the specific Procurement Directives and Delegations recommended for 2022.

Table 1. 2022 Procurement Directives

Valley Clean Energy Power Procurement Directives and Delegations for Calendar 2022					
Product	**For Year**	**Procurement Milestone Date**	**Cumulative Percentage Procured by Milestone Date**	**Delegated To**	**Notes**
CAISO Market Energy					
CAISO Market Energy	2022	Daily	100%	SMUD	Procure Day Ahead and Imbalance Energy for 100% of VCE wholesale load.
Congestion Revenue Rights					
Congestion Revenue Rights	2022	Monthly During Year	Up to 100%	SMUD	Request monthly allocations, if economic, as approved by VCE AGM.
Congestion Revenue Rights	2023	October 31, 2022	Up to 100%	SMUD	Request annual and/or quarterly year ahead allocations, if economic, as approved by VCE AGM.
Price Hedging Energy					
Price Hedging Energy	2022	Daily/Balance of Month	TBD	SMUD	Daily hedging strategy to be revisited, contingent upon analysis of Daily and/or Balance of Month hedging efficacy, changes upon approval of EROC.
Price Hedging Energy	2023	December 31, 2022	100%	SMUD	Quantity and timing contingent upon review by the VCE EROC of forward market power prices/trends.
Renewable Energy					
Renewable Energy	2022	September 30, 2022	100% *	SMUD	True up procurement as needed based upon actual loads/updated load forecast and updated PPA generation forecast.
Renewable Energy	2023	December 31, 2022	100%*	SMUD	Minimal short term renewable procurements anticipated, based upon expected long term renewable PPA deliveries. Once greater certainty regarding renewable online dates, procure short term PCC1 power as needed and approved by GM.
Large Hydro Energy					
Large Hydro Energy	2022	September 30, 2022	100% *	SMUD	100% of the forecast need for Large Hydro. Only needed if carbon-free portfolio targets exceed expected PG&E allocation volume.
Large Hydro Energy	2023	December 31, 2022	up to 100% *	SMUD	Up to 100% of the forecast need for Large Hydro, based upon pricing and availability, as approved by VCE GM. Only needed if VCE sets 2023 carbon-free portfolio target that exceeds expected PG&E allocation volume.
Resource Adequacy Capacity					
Resource Adequacy Capacity	2022	October 31, 2021	100%	SMUD	Procure for any remaining monthly RA deficiencies and sell monthly RA surpluses, as approved by GM.
Resource Adequacy Capacity	2023	October 31, 2021	100%	SMUD	All RA products forecast, including some provision for RA from possible CEC Load Forecast adjustments or Local RA obligation increases, required to achieve compliance by October 31, 2022 for 2023. Procurement amount may exceed 100% in total for year to insure that all months achieve at least 100% compliance.

Note: Procurement milestone dates represent targets but do not represent expiration of SMUD delegation. Where necessary to achieve compliance, procurement is approved under this delegation until the next calendar year delegation is approved by the Board of Directors.

NEXT STEPS

Staff will be presenting this Plan to the Board in December and recommending the Board to adopt a resolution approving:

1. Near-term Procurement Directives and delegations to SMUD for procuring portions of VCE's power portfolio for calendar year 2022 through 2023.

VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE

Staff Report – Item 13

TO: Community Advisory Committee

FROM: Alisa Lembke, Board Clerk/Administrative Analyst

SUBJECT: Board and CAC 2021 Long Range Calendar

DATE: November 18, 2021

Please find attached the 2021 Board and Community Advisory Committee (CAC) Long Range Calendar listing upcoming meetings and proposed topics for discussion. Please make suggestions if there are topics you wish to add.

Attachment:

1. 2021 Board and CAC Long Range Calendar

VALLEY CLEAN ENERGY

2021 Meeting Dates and ***Proposed*** Topics – Board and Community Advisory Committee

MEETING DATE		TOPICS	ACTION
~~January 14, 2021~~ Special Meeting January 21, 2021	**Board** ~~WOODLAND~~	• Oaths of Office for Board Members (Annual if new Members) • Approve Updated CAC Charge (Annual) • Approve 2021 Procurement Plan • Treasurer Function / Investment • GHG Free Attributes • Power Purchase Agreement • Arrearage Management Plan	• Action • Action • Action • Action • Action • Action • Action
January 28, 2021	**Advisory Committee** ~~WOODLAND~~	• Formation of 2021 Task Groups (Annual) • Quarterly Power Procurement / Renewable Portfolio Standard Update • Quarterly Strategic Plan update • New Building Electrification • 2021 Marketing Outreach Plan • CA Community Power Agency Joint Powers Authority	• Discussion/Action • Informational • Informational • Informational/Discussion • Action: Recommendation to Board • Action: Recommendation to Board
February 11, 2021	**Board** ~~DAVIS~~	• Update on SACOG Grant – Electrify Yolo • 2021 Marketing Outreach Plan • CA Community Power Agency Joint Powers Authority • Update on January 2021 Rates • Update on Time of Use (TOU) roll out	• Informational • Action • Discussion/Action • Informational • Informational
February 25, 2021	**Advisory Committee** ~~DAVIS~~	• Update on SACOG Grant – Electrify Yolo • 2021 Task Groups – Tasks/Charge (Annual) • New Building Electrification • Legislative Bills • Update on Time of Use (TOU) roll out	• Informational • Discussion/Action • Discussion/Action • Discussion/Action • Informational

March 11, 2021	**Board** ~~WOODLAND~~	• New Building Electrification • Legislative Bills	• Discussion/Action • Action
March 25, 2021	**Advisory Committee** ~~WOODLAND~~	• Draft Programs Plan	• Discussion
April 8, 2021	**Board** ~~DAVIS~~	• Preliminary FY21/22 Operating Budget (Annual)	• Informational/Discussion
April 22, 2021	**Advisory Committee** ~~DAVIS~~	• 2021 and 2022 Power Content Update • Quarterly Strategic Plan update • SMUD 2030 Zero Carbon Plan - presentation • AB 992 (Social Media)/Brown Act - Best Best Krieger presentation • Update on SACOG Grant – Electrify Yolo	• Informational • Informational • Informational • Informational/Discussion • Informational
May 13, 2021	**Board** ~~WINTERS~~	• Update on FY21/22 draft Operating Budget • Update on SACOG Grant – Electrify Yolo • Amendments 22 and 23 to SMUD Agreement Task Order 2 • Execution of Letter Re: SMUD, Resource Adequacy to the Central Procurement District	• Informational • Informational • Action • Action
May 27, 2021	**Advisory Committee** ~~WOODLAND~~	• Power Planning 2022 / Renewable Content • Draft 3-Year Programs Plan	• Discussion/Action • Action: Recommendation to the Board
June 10, 2021	**Board** ~~DAVIS~~	• Approval of FY21/22 Operating Budget (Annual) • Extension of Waiver of Opt-Out Fees for one year (Annual) • Amendment 22 SMUD Agreement Task Order 2 • Draft 3-Year Programs Plan	• Action • Action • Action • Action
June 24, 2021	**Advisory Committee** ~~DAVIS~~	• Prioritizing types of energy (placeholder) • Net Energy Metering (NEM) 3.0 Update	• Discussion/Action • Informational
July 8, 2021	**Board** ~~WOODLAND~~	• Re/Appointment of Members to Community Advisory Committee (Annual) (postponed to September meeting) • Net Energy Metering (NEM) 3.0 Update	• Action • Informational

July 22, 2021	**Advisory Committee** ~~WOODLAND~~	• Quarterly Power Procurement / Renewable Portfolio Standard update • Quarterly Strategic Plan update • Legislative Bills update • Rates Task Group report/update	• Informational • Informational • Informational • Informational
August 12, 2021	**Board** ~~DAVIS~~	**Currently, this meeting is cancelled. A special meeting will be scheduled if an urgent item needs to be addressed.**	
August 26, 2021	**Advisory Committee** ~~DAVIS~~	• Update on SACOG Grant – Electrify Yolo (consent) • Carbon Neutral Task Group report/update • Remote meeting update • CAC Structure discussion	• Informational • Informational • Informational • Discussion/Action
September 9, 2021	**Board** ~~WOODLAND~~	• Re/Appointment of Members to Community Advisory Committee (Annual) • Receive Enterprise Risk Management Report (Bi-annual) • Update on SACOG Grant – Electrify Yolo • FY21/22 Operating Budget / RPS update • Strategic Plan update (Carbon Neutrality) (placeholder) • Certification of Standard and UltraGreen Products (Annual)	• Action • Informational • Informational • Informational /Discussion • Informational • Action
September 23, 2021	**Advisory Committee** ~~WOODLAND~~	• Outreach Task Group report/update • Legislative End of Session Update • Update on FY2020/2021 Allocation of Net Margin (Consent) • FY21/22 Operating Budget // Draft Customer Rate/Policy Structure	• Informational • Informational • Informational • Discussion / Action
October 14, 2021	**Board** ~~WINTERS~~	• Draft Customer Rate/Policy Structure • Customer Dividend and Programs Allocation report (Consent) • CAC Restructuring and appointments	• Discussion/Action • Informational • Action
October 28, 2021	**Advisory Committee** ~~DAVIS~~	• Update on Power Content Label Customer Mailer (Consent) • Review Draft Committee Evaluation of Calendar Year End (Annual) • Community resiliency overview/introduction • Final Draft Customer Rate/Policy Structure	• Informational • Discussion • Informational • Action: Recommendation to the Board

Special Meeting: Wednesday, November 10, 2021	**Board** ~~WOODLAND~~	• FY20/21 Audited Financial Statements (James Marta & Co.) (Annual) • Final Draft Customer Rate/Policy Structure • Update on SACOG Grant – Electrify Yolo	• Action • Action • Informational
November 18, 2021 (3rd Thursday of the month due to Thanksgiving holiday)	**Advisory Committee** ~~WOODLAND~~	• Near-term Procurement Directives and Delegations for 2022 Power Procurement Activities • GHG Free Attributes • Community resiliency overview/introduction • Quarterly Power Content Update • Update on Cost-based Customer Rates (Policy and Structure) • Update on SACOG Grant – Electrify Yolo	• Informational • Action: Recommendation to the Board • Informational • Informational • Discussion • Informational
December 9, 2021	**Board** ~~DAVIS~~	• Near-term Procurement Directives and Delegations for 2022 Power Procurement Activities • Approve 2022 Calendar Year Budget & customer rates • GHG Free Attributes • Receive CAC 2021 Calendar Year End Report (Annual) • 2021 Year In Review: Customer Care and Marketing • Election of Officers for 2022 (Annual)	• Action • Action • Action • Receive • Receive • Nominations
December 16, 2021 (3rd Thursday of the month due to Christmas holiday)	**Advisory Committee** ~~DAVIS~~	• 2022 CAC Task Group(s) formation (Annual) • Election of Officers for 2022 (Annual) • Carbon Neutral Task Group report/update (placeholder) • CC Power long duration storage (placeholder) • End of Year (Quarterly) Strategic Plan update	• Discussion/Action • Nominations • Informational/Discussion • Action: Recommendation to the Board • Informational
January 13, 2022	**Board** ~~WOODLAND~~	• Oaths of Office for Board Members (Annual if new Members) • Update on Customer Rate/Policy Structure Implementation • CC Power long duration storage (placeholder)	• Action • Action • Action

January 27, 2022	**Advisory Committee** ~~WOODLAND~~	• Update on Customer Rate/Policy Structure Implementation • Quarterly Power Procurement / Renewable Portfolio Standard Update	• Informational • Informational

Note: CalCCA Virtual Annual Meeting Wednesday, 12/1/21 8:30 a.m. – 4:15 p.m.