

Valley Clean Energy CAC Meeting – December 17, 2020 Via Teleconference Item 7 – 2021 Procurement Plan



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Item 7 – 2021 Procurement Plan - Background

• In December 2019, VCE Board approved VCE's Procurement Guide which established the procurement plan for 2020.

 2021 Plan is an update to the delegations of authority and a reflection of the power purchase agreements which were executed and are under development.



Item 7 – 2021 Procurement Plan – Guiding Principles & Delegations of Authority

- 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.



Item 7 – 2021 Procurement Plan – Product Categories

- Resource Adequacy
- Renewable Energy
- Carbon-free Energy
- Price Hedging Energy
- CAISO Market Energy & Congestion Revenue Rights



Item 7 – 2021 Procurement Plan – Portfolio Approach

- Early procurement actions focused primarily on firm volume deliveries from existing generation assets.
- In the future, VCE will be the off-taker of variable output resources under the long-term agreements.
- Uncertainty during the transition to new resources complicates the achievement of internal portfolio targets.
- VCE Board set minimum targets of 10% renewable, 20% carbon-free

for 2021.

Item 7 – 2021 Procurement Plan – Evolving Portfolio

VCE Contracted Resources

(1) Aquamarine Solar Facility – Kings Co. 50 MW Scheduled online – Spring 2021

VCE Local Request for Offers (RFO)

2 Yolo County Solar + Storage Projects

(2) 3 MW/3 MW BESS and (3) 20MW/6.5 MW BESS

Scheduled online – Fall 21/22

Joint Resources with Redwood Coast Energy (CCA)

(4) Tierra Buena Battery Storage Facility - Sutter Co. VCE share is 2.5 MW
Anticipated online – Summer 2022

(5) Aggregated Demand Response – System wide VCE share is 7 MW
Anticipated online – Summer 2021

VCE Bilateral Negotiation

Solar + Storage Project [CAISO interconnected]

(6) Approx 100 MW/50 MW BESS +/-Scheduled online 2022/23



Item 7 – 2021 Procurement Plan – Next Steps

- Seek Board approval of the Procurement Plan in January.
- Continue to monitor the construction of the projects VCE entered into this year.
- Finalize PV + Storage agreement for the Rugged replacement.

