Valley Clean Energy CAC Meeting – Thursday, December 21, 2023

Item 5 – Introduction/Overview of AgFIT program

Public Comments

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All About AgFIT

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Presentation Topics

1. Who's Participating
2. Hourly Prices
3. Subscription/Bill Protection
4. Customer Experience
5. Findings and Customer Response

AgFIT Participation

- Began Summer ’22, runs through Summer ’24
- 5 customers and 49 participating pumps
- 3 MW of enrolled load
- Agricultural irrigation pumping customers
- Incentives for load automation technology
- Fully voluntary program enrollment

Pricing Details

Prices are broken into two main components:

1. VCE's Portion: Generation
2. PG&E's Portion: Distribution and Transmission

VCE's Price Inputs

- Revenue requirements
- Maximum Net Load (MW)
- Hourly Net Load (load – renewable output)
- LMP – Locational Marginal Price

Scarcity Pricing

Designed to collect more revenue during times of grid stress, when electricity demand is high

Price Drivers

- **Peak** = revenue collected during peak times or high load
- **Ramp** = revenue collected during ramp hours or as load increases over 3-hour increments

Prices are available up to 7 days in advance!

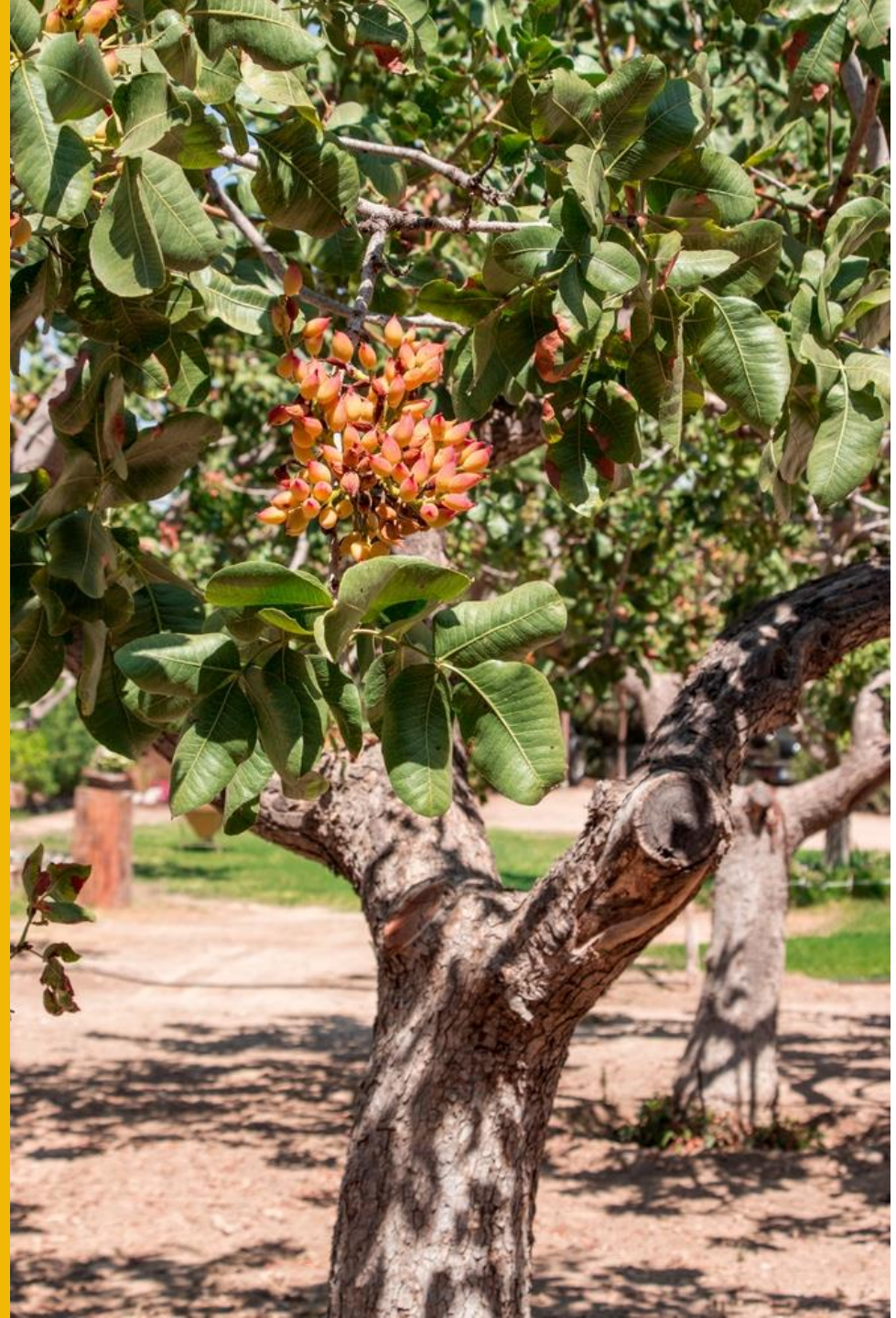
Subscriptions/Bill Protection

2 Versions of Subscriptions or Bill Protection

1. AgFIT 1.0 – Based on historical usage
2. AgFIT 2.0 – adjusted using an average OAT

AgFIT 1.0

- Historical hourly usage – used to create an average 24 hr load shape for each billing month
- Historical bill total - used to set the cost of kWh
- Outcome – a set quantity of kW in each hour of a billing month for a set cost



Enrollment Process

1. Customer elects to participate in pilot, agrees to terms and conditions

2. Customer service points are evaluated for best fit – Little to no previous shifting

3. Automation is installed in the field and/or software is connected to devices

4. Customer receives training/mentoring on the Polaris scheduling portal

Automation

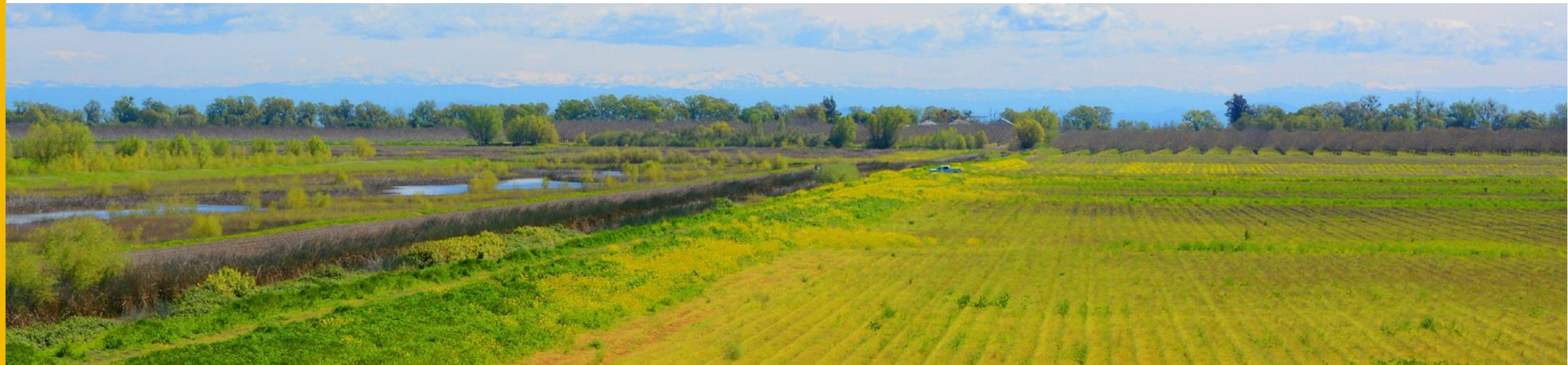
- Provided an incentive of $200/enrolled kW
- Incentive covers hardware and software
- Participation in program is not hardware specific and can even be done manually
- Polaris provides software that communicates set schedules to devices in the field
- Prices are not sent to devices directly

AgFIT Weekly Scheduling

*Scheduled manually each week by program participant

Key Takeaways

- **<u>Automation is driving customer action!</u>**
- Program participants seeing additional savings from efficient water usage and reduced labor
- Almost all action is scheduled a week in advance, few changes in scheduling happening at DA
- For customers that successfully manage TOU and avoid demand charges, AgFIT may not be the best choice



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Item 7 – Power Procurement / Renewable Portfolio Standard (RPS) Update

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Item 7 – Power Procurement/RPS Update: Background

- California requires LSEs to procure a minimum percentage of their load from eligible renewable resources such as wind, solar, geothermal, small hydro, etc.[1]
- LSEs must achieve interim targets referred to as Compliance Periods (CP1, CP2, CP3, etc). CP4 is measured over years 2021-2024 and the average for this period is 40%.
- In May 2020 (CAC) and June 2020 (Board) the concept of ramping into VCE's long-term contracts versus relying on short-term renewable energy credits (RECs) was adopted and since then Staff has been executing on that strategy.
  - The plan helps keep customers rates lower while VCE ramps into long-term renewable contracts at competitive prices.
  - 2020 & 2021 were intentionally low renewable content. 2023 & 2024 will be significantly higher thus resulting in a CP4 average at or above the mandate (40%).
  - If necessary, small shortfalls will be met with short-term RECs.

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Note: 1) From a State perspective, LSEs need to procure 60% of the load from renewable energy by 2030 as outlined in SB 100. VCE has adopted a more aggressive target of achieving 100% renewable by 2030 (adopted July '23).

Item 7 – Power Procurement/RPS Update: Contracted Renewable Projects

https://valleycleanenergy.org/power-sources/

Item 7 – Power Procurement/RPS Update: 2023 Target vs Actuals

	Original Plan		Actual	
Standard Green Load	**705,065**		**639,973**	
UltraGreen Load	**7,051**		**6,399**	
RPS Supply	**285,218**	**40%**	**333,849**	**52%**
Aquamarine Solar	133,341		111,803	
Indian Valley	6,445		5,246	
Putah Creek	7,920		5,797	
Resurgence Solar	137,512		111,003	
Short Term RECs	-		100,000	
Large Hydro Supply	**87,511**	**12%**	**92,274**	**14%**
PG&E Allocation	87,511		92,274	

Note: 1) Load actuals are utilized through October. Generation actuals are utilized through November. Forecasted values are utilized for the remaining months.
2) Large hydro actuals through June. July-Dec is a forecast.
3) RPS supply should end the year btw 50-55% (depends on load and performance of renewable projects in Dec.)

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Item 7 – Power Procurement/RPS Update: Outlook

ANNUAL RPS POSITION

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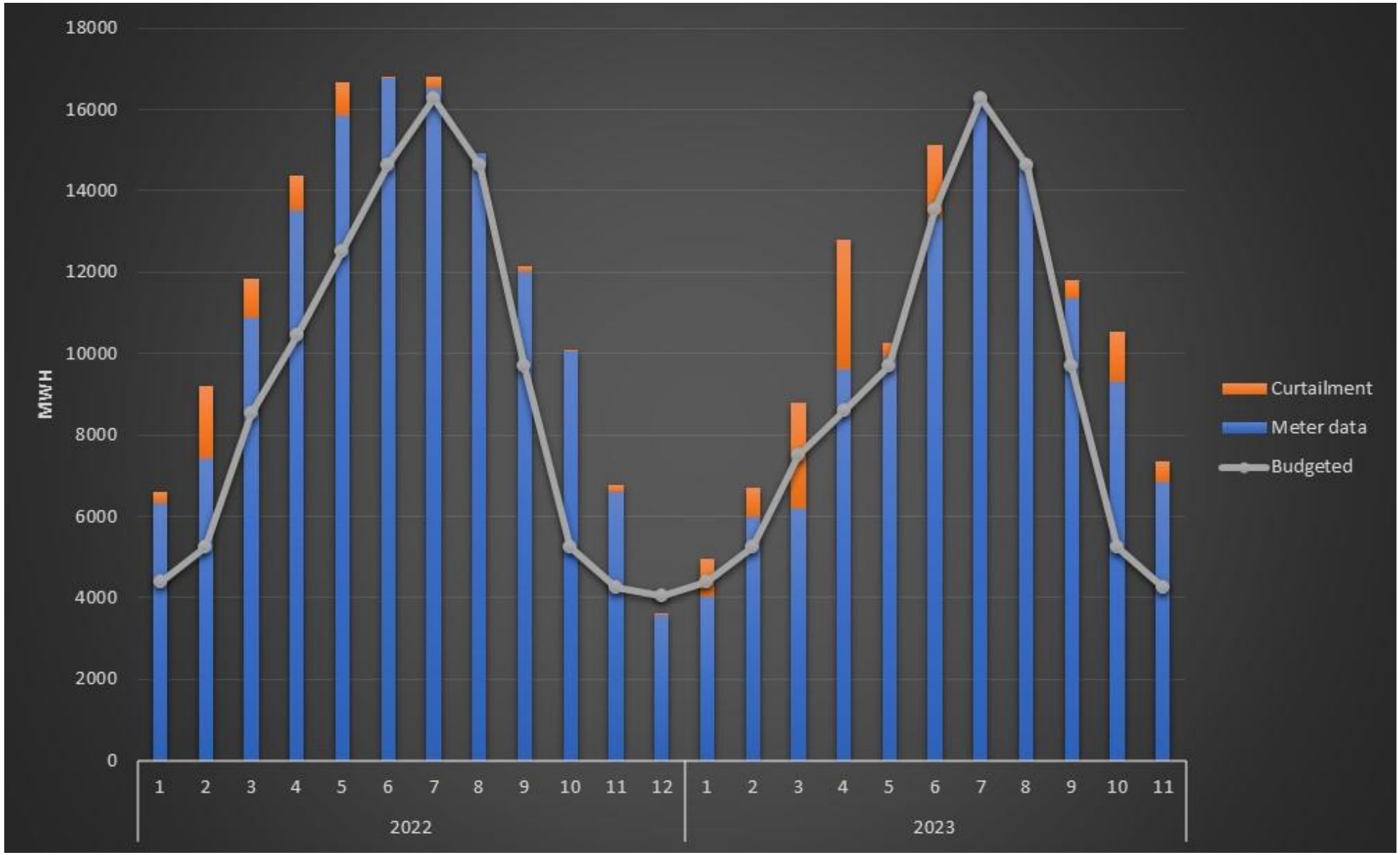
Item 7 – Power Procurement/RPS Update: Aquamarine Production



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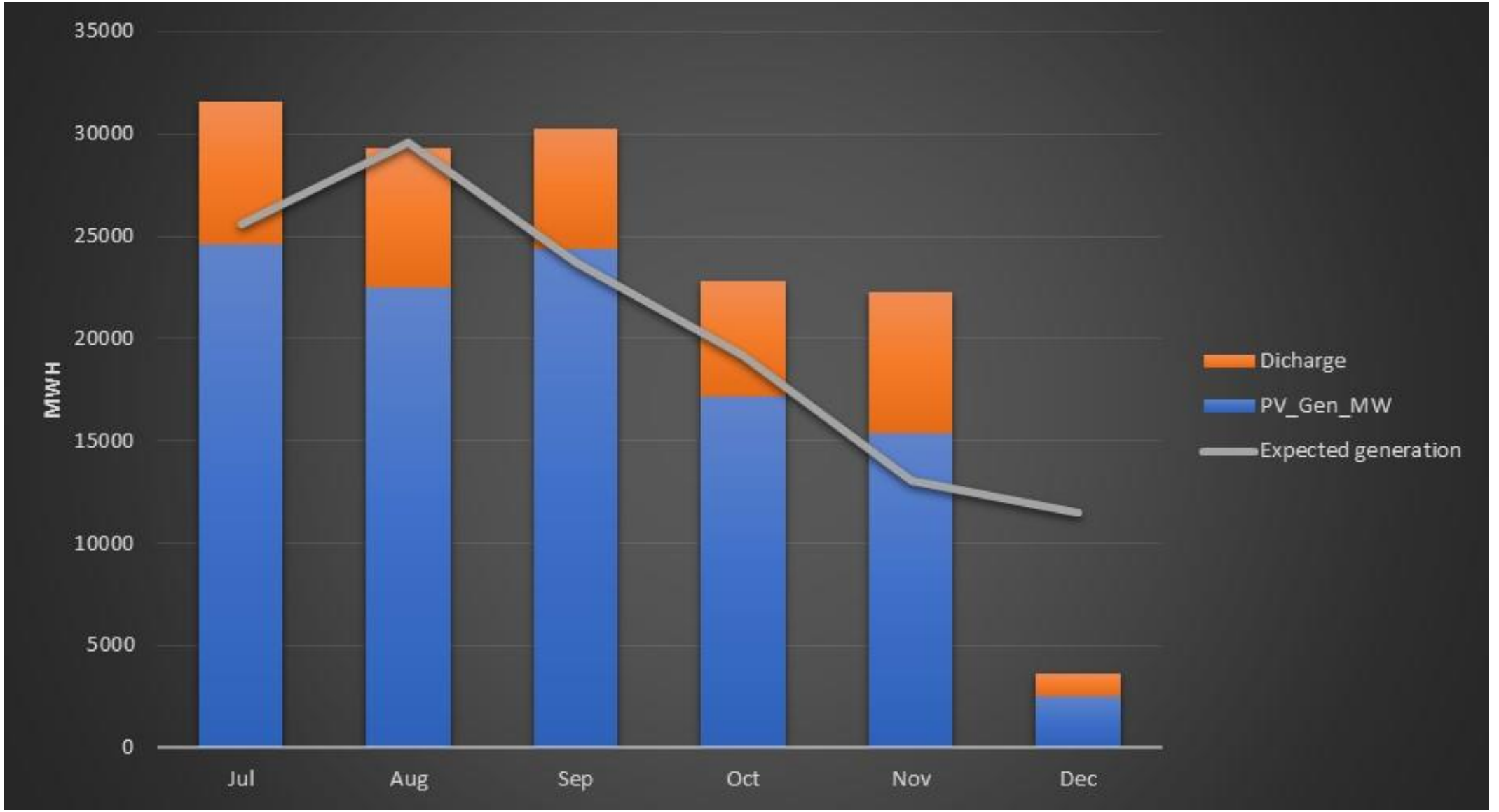
Item 7 – Power Procurement/RPS Update: Resurgence Production



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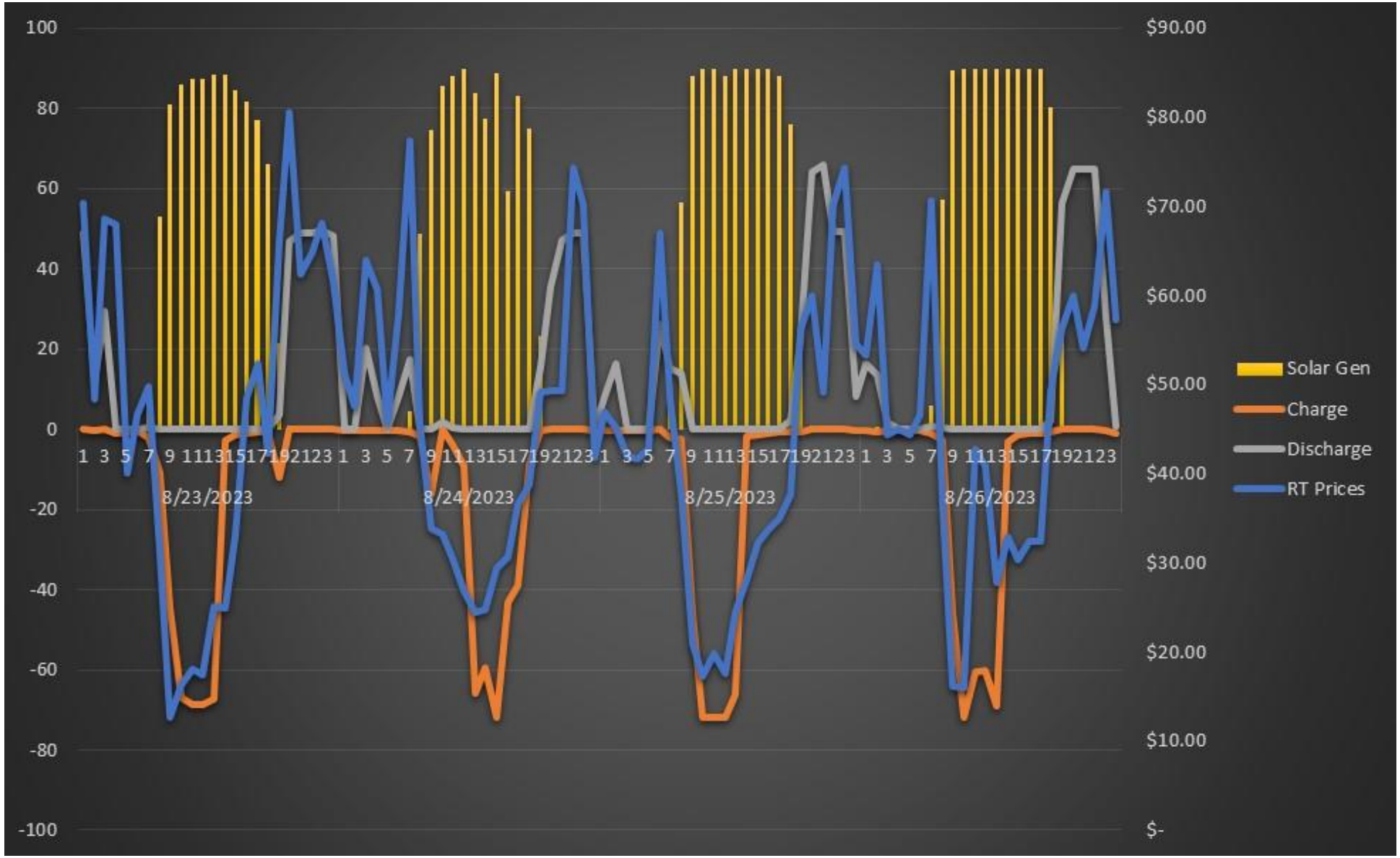
Item 7 – Power Procurement/RPS Update: Resurgence Daily Activity



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