



**Meeting of the Community Advisory Committee (CAC)
of Valley Clean Energy Alliance
Thursday, March 24, 2022 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. 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/81375837089>

Meeting ID: 813 7583 7089

- b. By phone

One tap mobile:

+16699009128,,81375837089#

+13462487799,,81375837089#

Dial:

+1-669-900-9128

+1-346-248-7799

Meeting ID: 813 7583 7799

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

5:00 P.M. CALL TO ORDER

- Welcome**
- Approval of Agenda**
- 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) **March 10, 2022 Board meeting update**
 - c) **Staff Report**

CONSENT AGENDA (≈ 5 minutes)

5. **Approval of February 24, 2022 Meeting Minutes.**
6. **Receive Customer Enrollment update as of March 16, 2022.**
7. **Receive Community Advisory Committee 2022 Long-Range Calendar.**
8. **Approve 2022 Energy Resilience Task Group Charge tasks.**
9. **Receive Staff summary on legislative bills:**
 - a) **AB 2696 (E. Garcia) - Transmission Planning - Potential Support**
 - b) **SB 1174 (Hertzberg) – Clean Energy Transmission – Potential Support.**
 - c) **AB 2937 (Calderon) - IOU Climate Adaptation Expenditure Recovery in Rates - Potential Oppose**
 - d) **SB 881 (Min) - Load-serving entities: integrated resource plans - Watch.**

REGULAR AGENDA

10. **Receive presentation on California Community Power Joint Powers Authority long duration energy storage project: Goal Line. (Information) (≈ 15 minutes)**
11. **Receive overview of VCE forecasting. (Information/Discussion) (≈ 20 minutes)**
12. **Receive presentation on VCE's rates update. (Information) (≈ 15 minutes)**
13. **Review and discuss Customer program concept (Electric Vehicle Rebates Program). (Information/Discussion) (≈ 20 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. Announcement and Adjournment. The CAC's next scheduled meeting is Thursday, April 28, 2022 at 5 p.m.

PUBLIC PARTICIPATION INSTRUCTIONS FOR UPCOMING VALLEY CLEAN ENERGY COMMUNITY ADVISORY COMMITTEE MEETING ON THURSDAY, MARCH 24, 2022 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

Staff Report - Item 5

TO: Community Advisory Committee

FROM: Alisa Lembke, Board Clerk/Administrative Analyst

SUBJECT: CAC February 24, 2022 Meeting Minutes

DATE: March 24, 2022

Recommendation

Receive, review and approve the attached February 24, 2022 meeting minutes.



**MINUTES OF THE VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE MEETING
THURSDAY, FEBRUARY 24, 2022
VIA TELECONFERENCE**

Interim Chair Yvonne Hunter opened the Community Advisory Committee of the Valley Clean Energy Alliance in a meeting on Thursday, February 24, 2022 beginning at 5:02 p.m. via videoconference pursuant to the Brown Act and Assembly Bill 361 (AB 361). 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: Yvonne Hunter (Interim Chair), Marsha Baird (Interim Vice Chair), David Springer, Christine Shewmaker, Cynthia Rodriguez, Yvonne Hunter, Marsha Baird, Gerry Braun, Mark Aulman, Lorenzo Kristov (arrived at 5:11 p.m.)

Committee Members Absent: Jennifer Rindahl

**Welcome and
Approval of Agenda**

Motion made by Interim Vice Chair Marsha Baird to approve the February 24, 2022 meeting agenda, seconded by David Springer. Motion passed with Jennifer Rindahl and Lorenzo Kristov absent.

**Public Comment /
Introductions**

There were no written or verbal public comments on items not on the agenda and on Consent Agenda items.

(Lorenzo Kristov arrived at 5:11 p.m.)

**Brief task Group and
VCE staff Reports**

Task Group Reports

Outreach Task Group: Mark Aulman informed those present that the group discussed a number of items, including programs, web landing pages, and improving the customer experience. VCE Staff Rebeca Boyles presented information about VCE to the Woodland Sustainability Advisory Committee where she also talked about cities opting up to UltraGreen (100 % renewable energy). Ms. Hunter mentioned that the Capay Valley Almond Festival was coming up this weekend and invited CAC members to assist at VCE's booth.

Programs Task Group: Marsha Baird informed those present that the electric vehicle information on the website has been updated. The group has been working on fine tuning an initial draft of an Electric Vehicle (EV) Rebate program which will be provided for CAC review and input and the next meeting. Lastly, the group has been working on the AgFIT (Agricultural Flexible Irrigation Technology) Pilot program.



Leg/Reg Task Group: Ms. Hunter informed those present that the letter of support for Assembly Bill (AB) 833 (Dodd) has been posted to the VCE website. Meetings are continuing to occur.

Staff Report: Interim General Manager Mitch Sears reported on two Board meetings: January 27th and February 10th. He informed those present that the Board adopted the recommended Legislative Platform; supported AB 833 with a letter of support; received the Outreach and Marketing 2021 year-end report by VCE Staff Rebecca Boyles; received an update on Time of Use (TOU); received Carbon Neutral by 2030 report; approved participating in the California Community (CC) Power long duration storage project: Tumbleweed; approved rates for 2022; approved line of credit with Yolo County; and, received annual report on the Strategic Plan.

He informed those present that Staff are tracking AB 1944 (Lee): remote meetings for public bodies. Staff are tracking closely the Resource Adequacy (RA) proceeding where the structure of RA is being rethought. He attended the Aquamarine Solar Project ribbon cutting ceremony down in Kings County. Ms. Boyles continues to work on the AgFIT Pilot program. This program has a target start date of May 1st. There is interest in dynamic pricing and load shifting components of the AgFIT pilot program. VCE Staff briefed Assemblymember Aguiar-Curry staff on this program and in a separate meeting, briefed the consultant to the Assembly Utility and Energy Committee. There is interest in solutions as the state goes into the summer to reduce grid pressure and integrate intermittent renewable resources onto the grid. Staff is reaching out to staff legislators and agencies to assess who else would like a briefing on this pilot program.

Consent Items

Christine Shewmaker requested that item 8, the long range calendar, be pulled to the end of the Regular agenda. Item 8 was moved to the end of the Regular agenda as item 15. There were no written or verbal comments as identified above.

Marsha Baird made a motion to approve Consent agenda items 5, 6 and 7 with minor corrections to the January 20, 2022 meeting Minutes, seconded by Christine Shewmaker. Motion passed with Mark Aulman abstaining and Jennifer Rindahl absent. The following items were:

5. approved January 20, 2022 meeting Minutes with minor corrections;
6. received customer enrollment update as of February 16, 2022; and,
7. received SACOG Grant – Electrify Yolo Project update.

Item 9: Review and consider recommendation on revised draft Collections Policy. (Discussion/Action)

VCE Staff Edward Burnham summarized the updates and revisions to the draft Collections Policy. Questions, topics and suggestions were discussed: PG&E's collections policy and at what point is a customer sent to collections; the need for clarity of the process; the number of contacts with the customer before sending them to collections; who is contacting the customer, PG&E and/or VCE; and, what



information is available to VCE on when and how many times a customer is contacted by PG&E. There were no written or verbal public comments.

Marsha Baird made a motion to approve the collections policy with the addition of a flow chart of the process and verbiage reflecting multiple contacts will be made with the customer prior to sending them to collections, seconded by Mark Aulman.

Motion passed by the following vote:

AYES: Baird, Shewmaker, Rodriquez, Braun, Springer, Kristov, Hunter, Aulman

NOES: None

ABSENT: Rindahl

ABSTAIN: None

Item 10: Review and consider recommendation on Time of Use (TOU) Bill Protection program. (Discussion/Action)

VCE Staff Rebecca Boyles summarized four (4) approach options of a bill protection program for customers transitioning from flat, tiered rates to time of use (TOU) rates. The CAC discussed cost differences between options 3 and 4, what other CCA's are offering in bill protection, how a credit amount was determined in option 3, length of participation by customer in the program, messaging to the customer, and which option would result in a more positive customer service experience. There were no written or verbal public comments.

Lorenzo Kristov made a motion that the CAC recommended to the Board of Directors to adopt Bill Protection Option 3, in which customers can call and request bill protection if they choose to remain on the Time of Use (TOU) rate for a full 12 months, seconded by David Springer. Yvonne Hunter asked that the motion include staff outreach Yvonne asked that in addition to the motion, that the recommendation to the Board include staff outreach efforts outreach efforts, such as using VCE's website, newsletter, and social media to inform customers that the bill protection program is available. The motion was amended to include these customer outreach efforts. Motion passed by the following vote:

AYES: Baird, Rodriquez, Braun, Springer, Kristov, Hunter, Aulman

NOES: None

ABSENT: Rindahl

ABSTAIN: Shewmaker

Item 11: Receive and consider recommendation on Customer program concept (Heat Pump Pilot Program). (Discussion/Action)

VCE Staff Sierra Huffman summarized the proposed customer Heat Pump Pilot Program concept. The CAC discussed how the heat pumps work, the goals of the program, engagement of contractors, resources for customers, changing the focus of the program to encourage replacement of old or failing/failed systems, contractor engagement in rebate programs, the need to stay competitive within the market, and VCE's outreach efforts on the rebates and program to customers. There were no written or verbal public comments.



Christine Shewmaker made a motion to recommend to the Board to approve Phase 1 of Valley Clean Energy’s Heat Pump Pilot Program and change the primary focus of the program to encourage replacements of failing, failed, or outdated heating/ air conditioner systems with Dual Fuel Heat Pumps or all Electric Heat Pumps, seconded by Marsha Baird. Motion passed by the following vote:

AYES: Baird, Shewmaker, Rodriquez, Braun, Springer, Kristov, Hunter, Aulman

NOES: None

ABSENT: Rindahl

ABSTAIN: None

Item 12: Discuss formation of Energy Resiliency Task Group and charge for 2022. (Discussion/Action)

The CAC reviewed the draft Energy Resilience Task Group charge and discussed: the need to narrow and define the scope and tasks, community versus customer focused task group, behind the meter and/or in front of the meter, timeline and Strategic Plan goals. There were no written or verbal public comments.

Marsha Baird made a motion to create an Energy Resilience Task Group with the concept and preliminary charge agreed upon; Lorenzo Kristov and Gerry Braun as members; and, the task group members are to develop with Staff a work plan/tasks for presentment to the CAC at their March meeting, seconded by Mark Aulman.

Motion passed by the following vote:

AYES: Baird, Shewmaker, Rodriquez, Braun, Springer, Kristov, Hunter, Aulman

NOES: None

ABSENT: Rindahl

ABSTAIN: None

Item 13: Power Procurement / Renewable Portfolio Standard Update. (Information)

Staff provided an update on power procurement status, 2021 target and current power estimates, reviewed 2022 target, on the Aquamarine project, output from Indian Valley hydro, and reviewed the renewable portfolio standard (RPS) outlook. The CAC discussed the effects of the drought on load, forecasting, portfolio management, and status of other projects. There were no written or verbal public comments.

Item 14: Elections of Chair and Vice Chair. (Discussion/Action)

Interim Chair Yvonne Hunter announce that David Springer has agreed to be the Chair and Marsha Baird has agreed to be Vice Chair rather than Interim Vice Chair. Yvonne Hunter made a motion to nominate David Springer as Chair and Marsha Baird as Vice Chair, seconded by Gerry Braun. There were no written or verbal public comments. Motion passed with Jennifer Rindahl absent and David Springer and Marsha Baird not voting.

Item 15: Receive 2022 Long Range Calendar

Christine Shewmaker asked Staff about proposed topic “Carbon Neutral by 2030”, if this was related to the Carbon Neutral by 2030 study. Mr. Gordon informed those present that the scope of this topic would include, but not limited to, procurement



options different from VCE’s current policy, behind the meter, and in front of the meter. This topic would be more fine-tuned moving forward. There were no written or verbal public comments. Christine Shewmaker made a motion to receive the 2022 Long Range calendar, seconded by Gerry Braun. Motion passed with Jennifer Rindahl absent.

**Advisory Committee
Member and
Announcements**

Yvonne Hunter informed those present that she will not be attending the March 23th CAC meeting. No other announcements were provided.

**Adjournment to
Next Meeting**

The next meeting is scheduled for Thursday, March 24, 2022 at 5 p.m. The meeting was adjourned at 7:32 p.m.

Alisa M. Lembke
Board Clerk/Administrative Analyst

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 6

TO: Community Advisory Committee
FROM: Rebecca Boyles, Director of Marketing & Customer Care
SUBJECT: Customer Enrollment Update (Information)
DATE: March 24, 2022

RECOMMENDATION

Receive the Customer Enrollment update as of March 16, 2022.

Attachment:

1. March 16, 2022 Customer Enrollment update

Item 6 - Enrollment Update

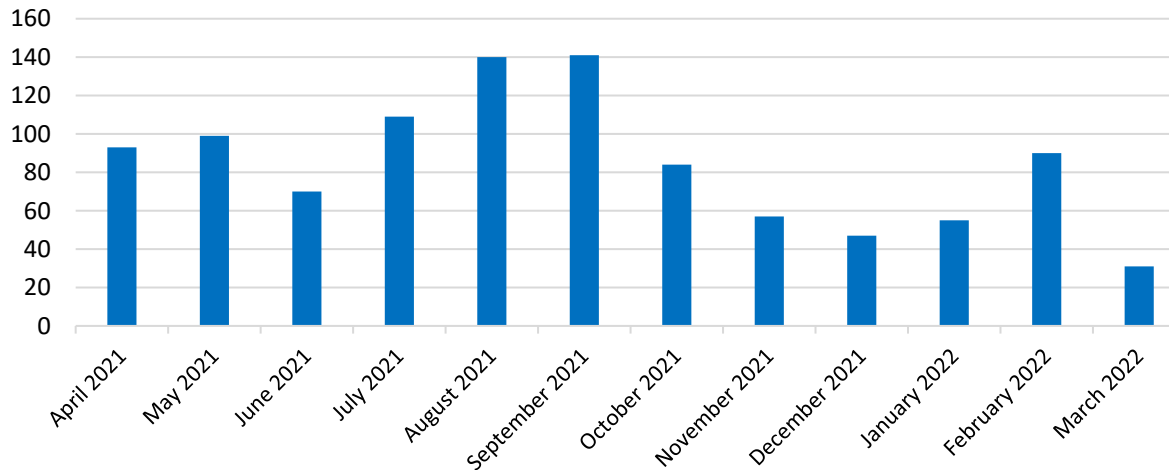
	Davis	Woodland	Winters	Yolo Co	Total	Residential	Commercial	Industrial	Ag	NEM	Non-NEM
VCEA customers	27,870	20,586	2,525	10,718	61,699	53,701	6,043	7	1,860	10,975	50,724
Eligible customers	29,190	23,660	2,849	12,287	67,986	59,040	6,696	7	2,139	12,163	55,823
Participation Rate	95%	87%	89%	87%	91%	91%	90%	100%	87%	90%	91%

All Winters customers are now enrolled and are included in this table.

% of Load Opted Out

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

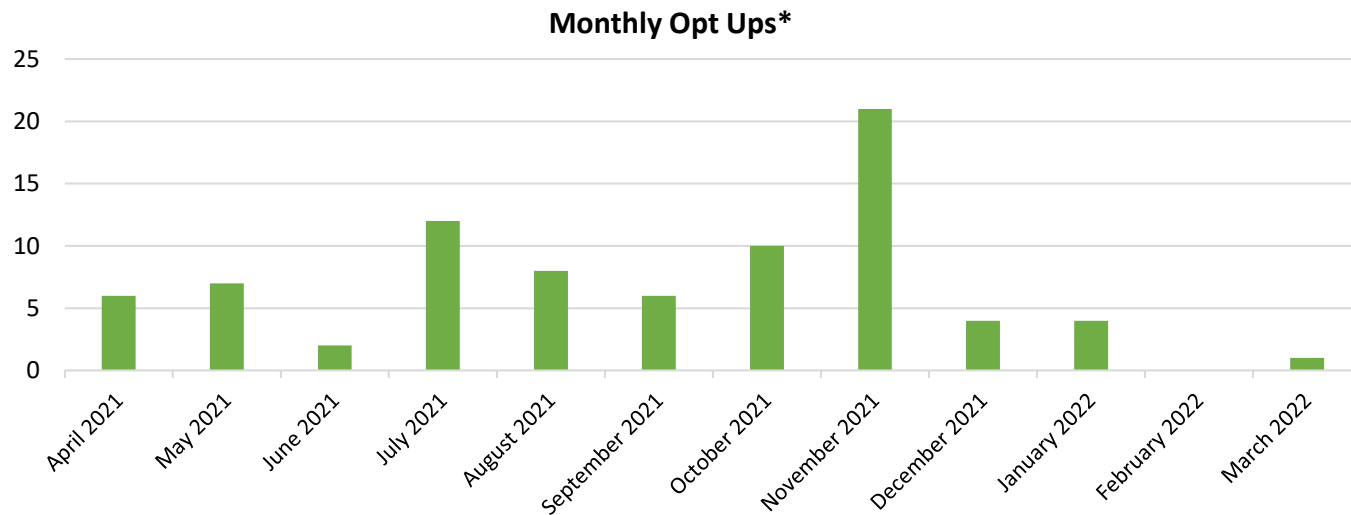
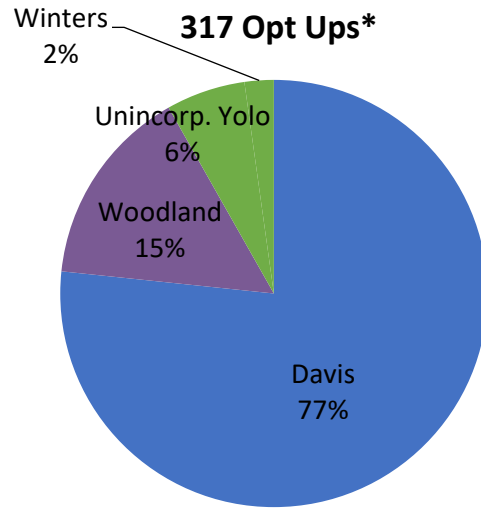
Monthly Opt Outs



Status Date: 03/16/22



Item 6 - Enrollment Update

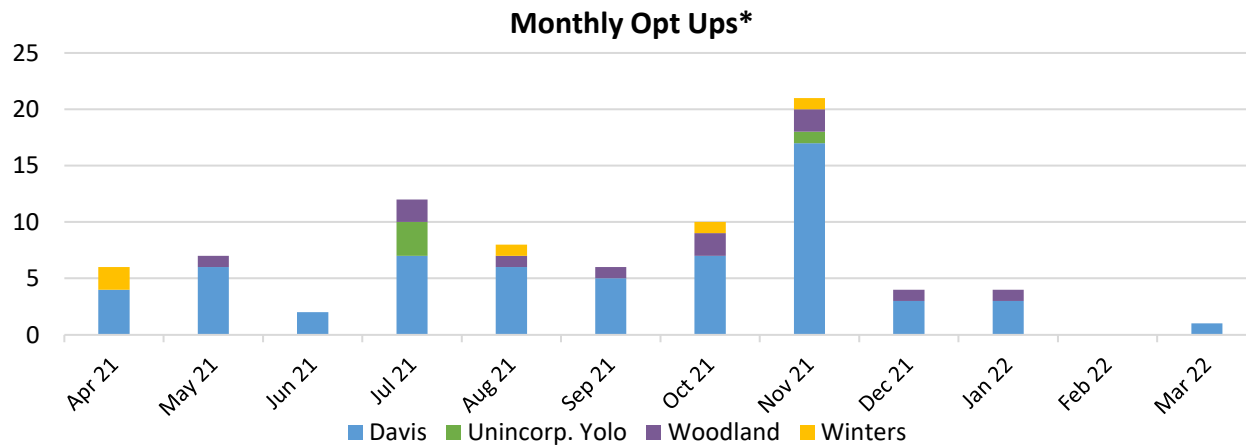
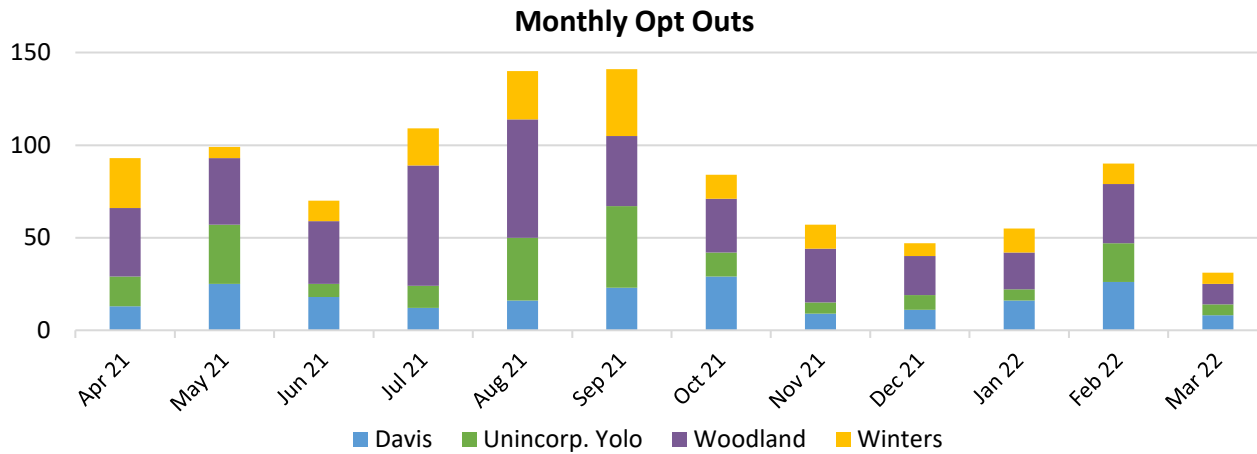


* The numbers in the pie chart represent opt ups for customers who are currently enrolled. The numbers in the bar graph represent opt up actions taken regardless of current enrollment status.



VALLEY
CLEAN ENERGY

Item 6 - Enrollment Update

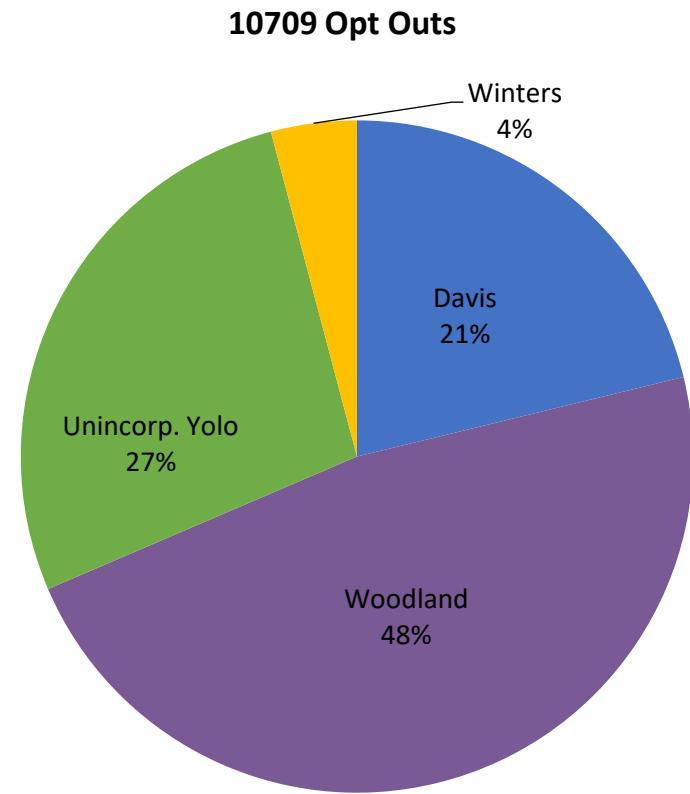
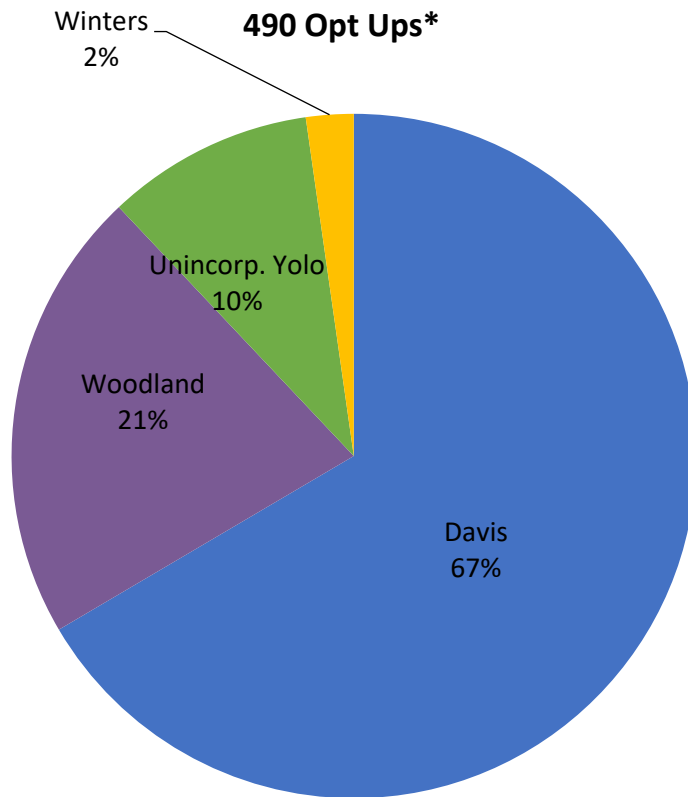


* These numbers represent all opt up actions ever taken regardless of current customer enrollment status.

Status Date: 03/16/22



Item 6 - Enrollment Update



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

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 7

TO: Community Advisory Committee

FROM: Alisa Lembke, Board Clerk/Administrative Analyst

SUBJECT: Board and CAC 2022 Long Range Calendar

DATE: March 24, 2022

Please find attached an updated and revised 2022 Board and Community Advisory Committee (CAC) Long Range Calendar. Specifically, at the bottom of the calendar lists future (proposed) topics of discussion for the CAC.

If you have an item that you would like added, please send an email to Assistant General Manager Gordon Samuel, Board Clerk Alisa Lembke, CAC Chair and Vice Chair for consideration.

Attachment:

1. 2022 Board and CAC Long Range Calendar

VALLEY CLEAN ENERGY
2022 Meeting Dates and Proposed Topics
Board and Community Advisory Committee (CAC)
(CAC: Topics and Discussion Dates may change as needed)

MEETING DATE		TOPICS	ACTION
January 13, 2022 Special Meeting scheduled for January 27, 2022	Board WOODLAND	<ul style="list-style-type: none"> • Election of Officers for 2022 (Annual) • Near-term Procurement Directives and Delegations for 2022 Power Procurement Activities • Calendar Year Budget and 2022 VCE customer rates • GHG Free Attributes • 2022 Legislative Platform • Receive CAC 2021 Calendar Year End Report (Annual) • 2021 Year End Review: Customer Care and Marketing 	<ul style="list-style-type: none"> • Action • Action • Action • Action • Action • Information • Information
January 27, 2022 January 20, 2022	Advisory Committee WOODLAND	<ul style="list-style-type: none"> • 2022 Task Groups Tasks/Charge (Annual) • Update on 2022 Power Charge Indifference Adjustment (PCIA) and Rates • Carbon Neutral by 2030 Study • CC Power long duration storage • Draft Collections Policy • Update on customer programs development (draft Heat Pump Pilot Program) 	<ul style="list-style-type: none"> • Action • Discussion/Action • Discussion/Action • Information • Information/Discussion • Information
February 10, 2022	Board DAVIS	<ul style="list-style-type: none"> • CC Power long duration storage • Update on customer programs development • Update on 2022 PCIA and Rates • Update on Time of Use (TOU) • Update on SACOG Grant – Electrify Yolo • Strategic Plan Update (Annual) • Carbon Neutral Report 	<ul style="list-style-type: none"> • Action • Information • Information • Information • Information • Information • Information/Discussion
February 24, 2022	Advisory Committee DAVIS	<ul style="list-style-type: none"> • Power Procurement / Renewable Portfolio Standard Update • Time of Use (TOU) and Bill Protection • Final Draft Collections Policy 	<ul style="list-style-type: none"> • Information • Discussion/Action • Action

		<ul style="list-style-type: none"> Customer program concept (Heat Pump Pilot Program) 2022 Task Group – energy resiliency 	<ul style="list-style-type: none"> Discussion/Action Discussion/Action
March 10, 2022	Board WOODLAND	<ul style="list-style-type: none"> Receive Enterprise Risk Management Report (Bi-Annual) Collections Policy Presentment of customer program concept (Heat Pump Pilot Program) Time of Use (TOU) Bill Protection Ag FIT (Flexible Irrigation Technology) pilot program 	<ul style="list-style-type: none"> Information Discussion/Action Action Discussion/Action Discussion/Action
March 24, 2022	Advisory Committee WOODLAND	<ul style="list-style-type: none"> Customer program concept (draft EV Rebates Program) CC Power long duration storage project Overview of VCE Forecasting 	<ul style="list-style-type: none"> Information Information Information/Discussion
April 14, 2022	Board DAVIS	<ul style="list-style-type: none"> 7/1/21 thru 12/31/21 Audited Financial Statements (James Marta & Co.) Update on Customer Dividend and Programs Allocation CC Power long duration storage project 	<ul style="list-style-type: none"> Action Information Discussion/Action
April 28, 2022	Advisory Committee DAVIS	<ul style="list-style-type: none"> Program Concepts Development (EV Rebates Program) Update on Customer Dividend and Programs Allocation Forecasting - load 	<ul style="list-style-type: none"> Discussion/Action Information Information
May 12, 2022	Board WOODLAND	<ul style="list-style-type: none"> Update on SACOG Grant – Electrify Yolo (placeholder) Presentment of customer program concept (EV Rebates Program) 	<ul style="list-style-type: none"> Information Action
May 26, 2022	Advisory Committee WOODLAND	<ul style="list-style-type: none"> Update 3-Year Programs Plan Forecasting – financial modeling 	<ul style="list-style-type: none"> Information/Discussion Information
June 9, 2022	Board DAVIS	<ul style="list-style-type: none"> Re/Appointment of Members to Community Advisory Committee (Annual) Extension of Waiver of Opt-Out Fees for one year (Annual) Update 3-Year Programs Plan 	<ul style="list-style-type: none"> Action Action Information
June 23, 2022	Advisory Committee DAVIS	<ul style="list-style-type: none"> Mid-year rate update 	<ul style="list-style-type: none"> Information

July 14, 2022	Board WOODLAND	<ul style="list-style-type: none"> • Net Energy Metering (NEM) 3.0 Update (placeholder) 	<ul style="list-style-type: none"> • Information
July 28, 2022	Advisory Committee WOODLAND	<ul style="list-style-type: none"> • Power Procurement / Renewable Portfolio Standard update 	<ul style="list-style-type: none"> • Information
August 11, 2022	Board DAVIS	<ul style="list-style-type: none"> • Mid-year rates review 	<ul style="list-style-type: none"> • Information/Discussion
August 25, 2022	Advisory Committee DAVIS	<ul style="list-style-type: none"> • 2022 Operating Budget / Renewable Portfolio Standard update 	<ul style="list-style-type: none"> • Information
September 8, 2022	Board WOODLAND	<ul style="list-style-type: none"> • Update on SACOG Grant – Electrify Yolo • 2022 Operating Budget / Renewable Portfolio Standard update • Certification of Standard and UltraGreen Products (Annual) • Enterprise Risk Management Report (Bi-Annual) 	<ul style="list-style-type: none"> • Information • Information • Action • Information
September 22, 2022	Advisory Committee WOODLAND	<ul style="list-style-type: none"> • Legislative End of Session Update • 2023 Draft Operating Budget 	<ul style="list-style-type: none"> • Information • Information
October 13, 2022	Board DAVIS	<ul style="list-style-type: none"> • Update on 2023 draft Operating Budget 	<ul style="list-style-type: none"> • Information
October 27, 2022	Advisory Committee DAVIS	<ul style="list-style-type: none"> • Update on Power Content Label Customer Mailer • Review Draft CAC Evaluation of Calendar Year End (Annual) 	<ul style="list-style-type: none"> • Information • Information/Discussion
November 10, 2022	Board WOODLAND	<ul style="list-style-type: none"> • Certification of Power Content Label (Annual) • Preliminary 2023 Operating Budget (Annual) 	<ul style="list-style-type: none"> • Action • Information
November 17, 2022 (rescheduled November 24 th meeting due to the Thanksgiving holiday)	Advisory Committee WOODLAND	<ul style="list-style-type: none"> • Finalize CAC Evaluation of Calendar Year End (Annual) • Review Procurement Directives and Delegations (Annual) • GHG Free attributes • Power Procurement / Renewable Portfolio Standard Update • Review CAC Charge (Annual) • ERRR Filings Update (PCIA and bundled rates) (Annual) 	<ul style="list-style-type: none"> • Discussion/Action • Information • Information • Information • Discussion • Information

December 8, 2022	Board DAVIS	<ul style="list-style-type: none"> • Approve 2023 Operating Budget (Annual) • Receive Enterprise Risk Management Report (Annual) • Approve Procurement Directives and Delegations (Annual) • GHG Free attributes • Update on SACOG Grant – Electrify Yolo • Receive CAC 2022 Calendar Year End Report (Annual) • Election of Officers for 2023 (Annual) 	<ul style="list-style-type: none"> • Action • Information • Action • Action • Information • Information • Nominations
December 15, 2022 (rescheduled December 22 nd meeting due to the Christmas holiday)	Advisory Committee DAVIS	<ul style="list-style-type: none"> • 2023 CAC Task Group(s) formation (Annual) • Review draft 2023 Legislative Platform • Strategic Plan update (Annual) • Election of Officers for 2023 (Annual) 	<ul style="list-style-type: none"> • Discussion/Action • Discussion/Action • Information • Nominations
January 12, 2023	Board WOODLAND	<ul style="list-style-type: none"> • Oaths of Office for Board Members (Annual if new Members) • Strategic Plan Update (Annual) • 2023 Legislative Platform • Approve Updated CAC Charge (tentative) (Annual) 	<ul style="list-style-type: none"> • Action • Action • Action • Action
January 26, 2023	Advisory Committee WOODLAND		

Note: CalCCA Annual Meeting typically scheduled in November

CAC PROPOSED FUTURE TOPICS Topics and Discussion dates may change as needed	ESTIMATED MEETING DATE
Net Energy Metering (NEM) 3.0 (Information/Discussion/Action)	TBD
Carbon Neutral by 2030 (types of energy, where procured, BTM, FOM, policy) (Discussion/Action)	2022 Quarter 3
Integrated Resource Plan (IRP – update due 11/1/2022) (Discussion/Action)	August/September 2022
Draft Rate Structure (Discussion/Action)	April or May 2022
CAC Charge revision (as needed)	
Legislative Items (as needed)	
Strategic Plan additional updates (as needed)	
Time of Use (TOU) (as needed)	
SACOG Update (as needed)	

VALLEY CLEAN ENERGY ALLIANCE**Staff Report – Item 8**

TO: Community Advisory Committee

FROM: Gordon Samuel, Assistant General Manager & Director of Power Services
Alisa Lembke, Board Clerk/Administrative Analyst

SUBJECT: 2022 Energy Resilience Task Group Charge – work plan/tasks.

DATE: March 24, 2022

At the CAC's February 24, 2022 meeting, an Energy Resilience Task Group (ERTG) was formed along with the concept and preliminary charge agreed upon. In addition, the task group members and Staff were asked to develop work plan/tasks and provide the final draft Charge to the CAC. Attached is the final draft Charge (see tasks listed on page 2) for the CAC's approval.

Attachment:

1. Final draft Energy Resilience Task Group Charge

**VALLEY CLEAN ENERGY
COMMUNITY ADVISORY COMMITTEE**

2022 ENERGY RESILIENCE TASK GROUP CHARGE

Members: Lorenzo Kristov
Gerry Braun

Staff Lead: Gordon Samuel

Concept: Form a Task Group (TG) to consider practical ways that VCE can work with its member jurisdictions and other local collaborators to address imminent challenges related to climate disruption. The TG would focus initially on how VCE could contribute to building local energy resilience, i.e., the capability to maintain electric service for essential community needs and functions during planned and unplanned power system outages.

2022 Charge: Work with VCE staff and other potential collaborators to develop specific ideas and initiatives for providing energy resilience benefits for Yolo County people and communities while maintaining VCE’s financial health and core responsibilities.

Scope/Tasks: To support the above Charge on local energy resilience and the ability to maintain electric service during grid outages, the task group will focus on microgrids. A microgrid is a local electricity system that can operate both in grid-connected mode and in “islanded” mode independent of the grid. The TG would narrow the scope to focus on “clean energy” microgrids, that is, ones comprised of renewable generation, energy storage, bi-directional EV charging and demand management controls, and that do not use fossil fuel resources.

There are two main types of microgrids. **(1) Single-facility microgrids** have a single point of connection to the utility grid, like a college campus, office park or single building. **(2) Multi-customer microgrids** serve several customers, buildings and energy resources each having a separate point of connection to the utility grid. To operate in islanded mode type (2) must use the utility’s distribution wires to move power from the generation and storage resources to the customers.

The TG proposes to focus on type (1) for 2022. Existing statutory and regulatory rules make type (2) very challenging if not impossible. This situation could change as many advocates are working to change the rules, but that’s at least a few years in the future. Meanwhile, type (1) can provide much needed local benefits as a community “resilience hub” during grid outages and as a 24x365 source of clean energy during normal conditions.

Given the above considerations, the TG reviewed the recent announcement by Marin Clean Energy (MCE) and the Pittsburg USD to install battery storage on 10 schools that already have rooftop solar, to turn those schools into community resilience hubs.

<https://www.mcecleanenergy.org/mce-news/1-6-megawatts-of-energy-storage-coming-to-pittsburg-unified-school-district/>). There are other reasons why schools would be desirable locations for community energy resilience hubs — see Attachment 1 “Resilient Clean Energy Schools” (RCES) proposal — and therefore the TG proposes to identify a school in the VCE service area for implementation of a type (1) microgrid.

The TG proposes the following tasks for 2022:

1. Develop a draft local energy resilience vision for VCE, to provide a context for energy resilience efforts that can serve as a guidance document for the next several years. Aim for CAC adoption by end of 2022 for recommendation to VCE Board.
2. Identify a specific school in VCE service area for definition and implementation of a resilience hub. In collaboration with relevant partners (e.g., school board or administrator, company having microgrid deployment experience) develop an implementation plan in the form of a “shovel-ready” project description that can be submitted for funding. Aim for complete project plan by end of 2022.
3. Work with other CCAs and CalCCA to explore advancing RCES as a statewide program and collaboratively develop a strategy for advocacy.

Strategic Plan: 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.

Attachment 1

Resilient Clean-Energy Schools

A recent press release from MCE unveiled their project to install battery storage on 10 schools in the Pittsburg CA USD.¹ The total of 1.6 MW / 3 MWh of storage will work in conjunction with the solar panels already on these schools to create resilient clean-energy microgrids, enabling the schools to have continuous fossil-free electricity service during grid outages, to serve as resilience hubs for their communities in addition to maintaining their core school functions.

Proposal: Create a statewide campaign to replicate this model on 2500 schools across the state.² The campaign would be aimed at the Legislature, Governor and relevant state agencies. It would seek to educate and engage the public and the entire energy industry through mass media, trade press, webinars, etc. It could be framed for legislation or a ballot initiative.

The RCES model: Install battery storage, bi-directional EV charging and microgrid control systems to work in conjunction with solar PV systems. The system will be able to sustain electricity service during grid outages for multiple days by charging the batteries from the on-site solar panels. The integrated EV charging stations will have sufficient capacity to charge EV school buses to support conversion of school bus fleets.

Benefits of RCES systems:

1. Substantial reduction or even elimination of school energy costs, even with electrification of school buses and other school systems such as heating
2. Continuous fossil-free power supply during utility grid outages, to serve as resilience hubs for their communities
3. Making schools ready with necessary charging infrastructure for EV buses
4. Ability to smooth each school's 24-hour net load profile on the utility grid to prevent any adverse grid impacts and minimize need for grid infrastructure upgrades
5. RCES systems can be the subject of clean-energy curricula at the schools, to prepare students to participate in the clean-energy economy
6. Reduction in GHG emissions in all school districts in the state, with attendant local health benefits
7. Boost to California clean-energy jobs and economy
8. A statewide program ensures that no communities are left behind. Some don't.

Next steps:

- Begin to identify and recruit potential supporters and plan the statewide campaign

Explore options for campaign leadership and funding

¹ <https://www.mcecleanenergy.org/wp-content/uploads/2022/02/MCE-1.6-Megawatts-of-Energy-Storage-Coming-to-Pittsburg-Unified-School-District.pdf>

² 2500 schools in California already have solar panels due to Prop 39 funding which was passed as a ballot initiative several years ago. Only about 250 of these schools also have battery storage already.

VALLEY CLEAN ENERGY ALLIANCE**Staff Report - Item 9**

TO: Community Advisory Committee

FROM: Mitch Sears, Executive Officer
Mark Fenstermaker, Pacific Policy Group

SUBJECT: Staff Summary on AB 2696, SB 1174, AB 2937, and SB 881

DATE: March 24, 2022

Recommendation

Consider and provide feedback on potential:

1. Support of AB 2696 (E. Garcia)
2. Support of SB 1174 (Hertzberg)
3. Oppose AB 2937 (Calderon)
4. Watch SB 881 (Min)

Background and Analysis

Staff has prepared this report to provide the Community Advisory Committee (CAC) a summary of the following legislative bills that staff is currently assessing for a potential VCE position:

AB 2696 (E. Garcia). Transmission Planning

Summary: This bill would require the Energy Commission, in consultation with the California Infrastructure and Economic Development Bank, the Governor's Office of Business and Economic Development, the Independent System Operator, and the Public Utilities Commission (PUC), to conduct a study to review potential lower cost ownership, including public ownership, and alternative financing mechanisms, including public financing, for new transmission facilities needed to meet the state's clean energy and climate targets.

In addition, the bill would authorize the CPUC to direct IOUs to file an application for a Certificate of Public Convenience for any transmission facility/project that has been identified in the CAISO's transmission planning process, rather than leaving that decision to the discretion of the IOU.

This bill is consistent with the VCE Legislative Platform, specifically provision 2 regarding legislation to restructure the electric utility sector.

CalCCA and other CCA positions are unknown at this time.

SB 1174 (Hertzberg). Clean Energy Transmission

Summary: This bill would require the Public Utilities Commission(PUC) to waive any otherwise applicable penalty for noncompliance with the resource adequacy requirements if it finds that certain conditions have been met, including that the electrical corporation, electric service provider, or community choice aggregator has contracted for adequate resources to meet its resource adequacy

requirements and that the contracted-for resources would otherwise be supplied, but for delays in the completion of a third-party transmission owner's deliverability network upgrades.

This bill is consistent with the VCE Legislative Platform, specifically provision 8(a) to support legislation that expands opportunities or reduces barriers to develop renewable energy resources including as well as generally to provision 3 regarding resource adequacy.

~~The bill is being co-sponsored by Marin Community Choice Energy, Pioneer Community Choice Energy, and Central Coast Community Energy.~~

CalCCA and other CCA positions are unknown at this time.

AB 2937 (Calderon). Climate Adaptation Expenditures

Summary: This bill would authorize IOUs to apply to the Public Utilities Commission for a financing order to authorize the recovery of costs and expenses related to IOUs' wildfire mitigation plans, including operational and maintenance expenses associated with wildfire mitigation, and for costs and expenses related to climate adaptation expenditures, defined as expenditures that benefit greenhouse gas emission reduction efforts, utility system preparedness and adaptation efforts, and climate resiliency efforts.

The concern with this bill is the vague language that IOUs could recover through rates the costs for climate adaptation expenditures and the continued increase of rates.

This bill relates to the VCE legislative platform provision 7(c), but is not a direct connection.

SB 881 (Min). Load-serving entities: integrated resource plans.

The Public Utilities Commission has regulatory authority over public utilities, including electrical corporations. Current law requires the commission to adopt a process for each load-serving entity, defined as including electrical corporations, electric service providers, and community choice aggregators, to file an integrated resource plan (IRP) and a schedule for periodic updates to the plan to ensure that load serving entities accomplish specified objectives. Current law requires each load serving entity to prepare and file an IRP consistent with certain requirements on a time schedule directed by the commission and subject to commission review.

This bill would require the commission to require each load serving entity to undertake sufficient procurement to achieve a diverse, balanced, and reliable statewide portfolio and realize specified electricity sector greenhouse gas emissions reductions. This is a bill that warrants watch status to ensure that the IRP planning process does not morph into a procurement mandate mechanism thereby impeding a CCA's ability to execute effective, efficient local energy planning.

This bill relates to the VCE legislative platform provision 1(a), potential to limit the local decision-making authority for CCAs, including rate-setting authority and procurement of energy and capacity to serve their customers.

CalCCA is in active discussions with the author's office.

Attachments: Fact Sheets: AB 2696, SB 1174, AB 2937 (no fact sheet for SB 881)



AB 2696 – TRANSMISSION PLANNING

Updated: 3/10/22

BACKGROUND

Under current law, a CPUC-regulated electric investor-owned utility (IOU) cannot begin building any transmission line without obtaining a Certificate of Public Convenience (CPCN). Construction of transmission projects by CPUC-regulated IOUs is further governed by CPUC General Order 131-D (GO). This GO imposes additional requirements with which the IOU must comply relative to being granted a CPCN and a “permit to construct” by the Commission. There are exceptions from this GO for distribution lines, such as, for construction “categorically exempt” from CEQA, for the replacement of existing power line facilities or supporting structures with equivalent structures, a minor relocation of existing power line facilities, the addition of conductors or accessories to existing lines, conversion of overhead lines to underground, relocation of power lines or substations that previously underwent CEQA review as part of a larger project.

ISSUE

While the State has made tremendous strides in meeting our renewable energy goals, the closer we get to that 2045 deadline, the more difficult it will be to reach that goal. One of those difficulties is the need to bolster and expand our energy infrastructure, including the buildout of transmission facilities.

The process of constructing new transmission lines is both timely and costly. Transmission projects can take up to a decade to permit and build. For example, the Ten West Link, a \$400-million project which will span about 22 miles in California, was in development for about 9 years and is expected to be online in 2023. Additionally, the Devers-Palo Verde No. 2 Transmission Line Project received CPUC approval for their application in September 2005 but construction didn’t begin until June 2011.

The total price tag to buildout this necessary energy infrastructure would result in billions of dollars. From the per mile cost of installing these overhead lines to the operation costs associated with maintenance and repair, these expenses would be passed onto California rate payers, further increasing their energy bills.

California is falling behind in planning and building the electric transmission facilities needed to meet

California’s clean energy and climate targets. This bill would lead to alternative funding mechanisms while aligning the transmission planning process with our GHG reduction goals.

BILL SUMMARY

AB 2696 would conduct a study to review potential lower cost ownership and alternative financing mechanisms for new transmission facilities and would improve the CPUCs Certificate of Public Convenience process.

This bill would address the problems in the current CPUC regulatory process governing the construction of transmission projects by:

1. Providing the CPUC with the ability to direct an IOU to file an application for a CPCN for any transmission facility/project that has been identified in the CAISO’s transmission planning process, rather than leaving that decision to the discretion of the IOU.
2. Establishing a presumption of need for all transmission projects that have already been demonstrated as being necessary and in the public convenience by the CAISO’s TPP process. This will avoid unnecessarily duplicating that process before the CPUC.

For More Information:

Rexford Scott
1021 O St., Suite 8120
Rexford.Scott@asm.ca.gov
916-319-2056



Senate Bill 1174

Clean Energy Transmission

As Introduced on February 17, 2022

SUMMARY

SB 1174 enhances coordination, oversight, and planning of the state’s energy transmission and distribution system in order to support adding new renewable energy and energy storage resources to the power grid.

ISSUE

California is facing an unprecedented need for renewable energy resources to power the state’s electric grid over the next 10 to 20 years. This heightened need is driven by increased customer demand for clean energy, the continued electrification of transportation and other industries, and state greenhouse gas reduction and renewable energy objectives. This transformation necessitates a substantial build out of transmission systems to deliver the new added capacity to end-use customers.

A recent [draft report](#) released by the California Independent System Operator (CAISO) – which, among other things, oversees the operation of transmission lines in the state – highlighted significant shortfalls in the state’s transmission and distribution system. New and updated transmission needs range from high-voltage lines that traverse significant distances to access out-of-state resources, as well as major generation pockets, which include offshore wind and geothermal resources. The report also emphasized that for a number of these transmission additions, lead-times of eight to 10 years are reasonable, if not optimistic, further highlighting the need for longer-term decision making and planning.

In order to maintain electric reliability *and* meet clean energy goals, clear direction from the state is needed to expedite the interconnection of renewable energy and storage resources, with a focus on approving and completing associated transmission and distribution infrastructure for resources currently under contract or in development that can address the near-term capacity shortfall. Efficient and timely transmission development lowers costs for all California ratepayers, and ensures access to the most reliable and cost-effective clean energy resources.

SB 1174 (HERTZBERG)

SB 1174 requires the California Public Utilities Commission (CPUC) to: 1) include a system-wide assessment of delays to interconnection or transmission approvals for eligible renewable energy resources in its annual RPS compliance evaluation; 2) consider the role of transmission in its Integrated Resource Planning process; 3) waive penalties for load-serving entities unable to meet Resource Adequacy obligations due to delays in the completion of a third-party transmission owner’s deliverability network upgrades; and 4) in coordination with the California Energy Commission, the California Air Resources Board, and CAISO, identify and advance all interconnection or transmission approvals necessary to address potential capacity shortfalls, and requires those entities execute an accelerated approval and completion process for those purposes.

SB 1174 also requires investor-owned utilities that own electrical transmission facilities to annually prepare, and submit to the CPUC, a consolidated report on any delays to in-service dates of eligible renewable energy resources or energy storage resources, and identify all prudent remedial actions to address and minimize those delays.



SUPPORT

American Clean Power – California (Sponsor)



Assemblymember Lisa Calderon, 57th District

AB 2937 – Electrical Utility Corporation Securitization

SUMMARY

Assembly Bill 2937 seeks to minimize sudden electric bill rate spikes by providing financing options for an electric utility corporation (corporation) to ease the impact of costs associated with climate adaptation on ratepayers.

BACKGROUND

Similar to how the state finances large public infrastructure projects like railroads, securitization allows corporations to immediately access funds through the sale of bonds, while consequently spreading out the cost recovery of these projects over the securitization period.

AB 1054 (Holden, 2019) allocated a \$5B Equity Rate Base Exclusion to each investor-owned utility, and allowed utilities to seek the California Public Utilities Commission (CPUC) authorization to securitize costs deemed reasonable for recovery under Section 451.1 and mitigate fire-risk, capital expenses under Section 8386.3(e). If specific conditions are met, AB 913 (Calderon, 2020) authorizes the CPUC to securitize the under-collection of utility bill amounts for the year 2020 resulting from the COVID-19 pandemic.

PROBLEM

According to CAL FIRE, 14 of the state's largest wildfires have occurred within the past decade.¹ Furthermore, California's Fourth Climate Assessment states that by 2100, the frequency of extreme wildfires burning over approximately 25,000 acres could increase by nearly 50 percent.² This has meant that California's ambitious climate goal of achieving carbon neutrality by 2045 requires constant climate adaptation efforts around mitigating extreme wildfires that are impacting the state. Corporations have initiated wildfire mitigation efforts to reduce the chances of future wildfires being caused by electric infrastructure. Amid the ongoing effects of the COVID-19 pandemic and

simultaneous rise in inflation, climate adaptation costs continue to increase, ultimately burdening ratepayers the most. Without securitization as a financing tool, ratepayers will experience immediate electricity bill rate spikes due to mandated hardening and other infrastructure investments that corporations must undertake. Unfortunately, existing law does not allow this tool to be used extensively.

While existing law authorizes corporations to seek CPUC authorization for the securitization of COVID-related under-collection and wildfire mitigation capital costs, it is not explicitly stated that corporations can seek securitization for wildfire operation and maintenance (O&M) costs – which was one of the points raised by the CPUC in their October 2021 denial of Southern California Edison's request for O&M securitization. Given that mitigation efforts include ongoing O&M aiming to protect future generations, all financing tools should be available for corporations that are implementing climate adaptation projects to help minimize the rate shock these efforts may cause. In addition, existing law does not allow the CPUC to consider the benefits of rate stability when evaluating whether or not to allow a corporation to use securitization.

SOLUTION

AB 2937 would help stabilize electricity rate fluctuations by allowing a corporation to request CPUC approval to finance climate adaptation costs through securitization, including additional wildfire mitigation costs such as O&M expenses. This bill also requires the CPUC to consider whether the rate stability promoted by securitization is in the interest of the public.

CONTACT

Arnell Rusanganwa
Office of Assemblymember Lisa Calderon
(916) 319-2057

Arnell.Rusanganwa@asm.ca.gov

¹ California Department of Forestry and Fire Protection (CAL FIRE). (n.d.). Stats and events. Cal Fire Department of Forestry and Fire Protection. Retrieved February 18, 2022, from <https://www.fire.ca.gov/stats-events/>

² California, S. of. (n.d.). California's Fourth Climate Change Assessment. California Climate Assessment. Retrieved February 22, 2022, from <https://www.climateassessment.ca.gov/>

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 10

TO: Community Advisory Committee

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

SUBJECT: CC Power Goal Line Energy Storage Project

DATE: March 24, 2022

Recommendation

1. Recommend that VCE participate in the California Community Power (CC Power) Goal Line Energy Storage Project.

Background

Joint CCA Request for Information and Offers

In June 2020, Valley Clean Energy along with 10 other CCAs issued a request for information (RFI) from long duration storage (LDS) technology providers and project developers (LDS >=8hrs). The information collected through the RFI was used to develop a request for offers (RFO). This RFO was issued on October 15, 2020, and bids were due on December 1, 2020.

The joint CCAs received a robust response with 51 entities submitting offers representing over 9,000 MW. In collaboration with staff from the participating CCAs, these projects were evaluated through a two round evaluation process. Projects were scored based on value to the CCAs, locational value, development status, project viability and ability to meet resource adequacy requirements, technology viability, project team experience, compliance with workforce policy and environmental impact. The top 17 projects were moved to a second round of evaluation. All 17 projects were sent a follow-up questionnaire on labor, environmental and developer experience. Developers representing non-Li-Ion projects (such as: Emerging technologies defined as non-Li-Ion including 2nd life EV, Gravity, Hydrogen, Liquid Air, Compressed Air, Iron Redox Flow, and Pumped Storage Hydro) were interviewed about their project and technology as well.

Formation of CC Power

In 2020, a group of CCAs came together to discuss forming a joint powers authority (JPA) called California Community Power (CC Power) to leverage their combined buying power to provide cost effective joint services, programs, and procurement of energy resources and products. In February 2021, Valley Clean Energy's Board voted for VCE to become a member of CC Power (topic was presented to the CAC in January 2021). The other CCAs that are members of CC Power include MCE, 3CE, SVCE, SJCE, RCEA, VCE, SCP, EBCE, and CPSF. Once CC Power was formed, CC Power as an organization took over the LDS RFO work that had been underway.

CPUC Mid-Term Reliability Procurement Mandate

On June 24, 2021, the California Public Utilities Commission (CPUC) adopted D.21-06-035. This decision is commonly known as the mid-term reliability (MTR) procurement mandate. It directs load serving entities (LSEs) to collectively procure 11,500 MW of new resources between 2023 to 2026 to meet mid-term grid reliability needs. The requirement is measured as net qualifying capacity (NQC) rather than nameplate capacity. The CPUC issued a report identifying what percent of a technology’s nameplate capacity would count toward this requirement. This means that each LSE’s nameplate capacity is higher than the requirement identified in the decision. The decision requires that contracts have a term of at least 10 years and that resources be zero-emission or eligible under the California renewable portfolio standard (RPS).

Procurement Category	2023	2024	2025	2026	Total
Zero-emissions generation, generation paired with storage, or demand response resources	-	-	2,500	-	2,500
Firm zero-emitting resources	-	-	-	1,000	1,000
Long-duration storage resources	-	-	-	1,000	1,000
Remaining New Capacity Required			-	-	7,000
Total Annual Net Qualifying Capacity (NQC) Requirements	2,000	6,000	1,500	2,000	11,500

One of the categories identified in the decision was long duration energy storage. Once this decision was issued, the CCAs focused the RFO negotiations to ensure that the identified project and contract terms would allow the project to count toward each of the CCAs obligations under this decision.

The requirements were allocated to each LSE based on load share. Under the decision, VCE was allocated a requirement for 4 MW of LDS NQC, which is approximately equivalent to 5.1 MW of nameplate capacity.

Shortlist and Negotiations

Staff conducted an extensive analysis of projects submitted through the LDS RFO to identify a shortlist of projects. The Goal Line project was determined to be in the top tier of projects that would provide the most value to the CCAs. This shortlist was identified in June 2021 and at that time CC Power entered exclusivity with shortlisted projects and began negotiations.

CC Power conducted a solicitation process to identify counsel and a key negotiator to represent CC Power in its negotiations with counterparties identified through the LDS RFO process. CC Power retained Keyes and Fox and Gridwell Consulting to conduct the negotiations.

Representatives from each of the participating CCAs met with the CC Power General Manager and the negotiating team on a weekly basis to receive updates on negotiating status and provide input to the negotiating process.

In February 2022, VCE Board authorized participation in Tumbleweed project, the first CC Power approved LDS project resulting from the Joint LDS RFO. The other six CCAs participating in Tumbleweed have either gained or are in process gaining the necessary approvals to fully approve the Tumbleweed LDS project.

In addition to Tumbleweed, the Joint LDS RFO, shortlisted two other projects for consideration, Goal Line is the second LDS project. VCE along with five other CCAs have agreed to participate in the Goal Line LDS Project including:

1. Clean Power San Francisco (CPSF)
2. Redwood Coast Energy Authority (RCEA)
3. San Jose Clean Energy (SJCE)
4. Silicon Valley Clean Energy (SVCE)
5. Sonoma Clean Power Authority (SCPA)

Overview of Project

Project Name	Goal Line BESS 1, LLC
Technology	Li-Ion Storage – 8 hr discharge duration
Storage Capacity	50 MW / 400 MWh
Commercial Operation Date	6/1/2025, 15 yrs
Developer	Onward
Location	Escondido, CA in San Diego County

The Goal Line project is a 50 MW / 400 MWh lithium-ion battery storage facility located near Escondido, CA in San Diego County. The Commercial Operation Date is June 1, 2025. VCE’s share of this project is 2.25 MW / 18 MWh.

Goal Line is in process of achieving an executed interconnection agreement with the California Independent System Operator (CAISO) for Full Capacity Deliverability Status (FCDS), meaning it will provide resource adequacy attributes in addition to energy and ancillary service benefits. The project will interconnect to one of San Diego Gas & Electric’s substations.

Under the contract, CC Power will pay for the use of the storage project at a fixed-price rate per kW-month, with no escalation, for the full term of the contract (15 years). CC Power is entitled to all

product attributes from the facility, including energy arbitrage, ancillary services, and resource adequacy.

Developer

The project is being developed by Onward Energy an independent power generator that owns and operates 43 projects in 16 states across North America including solar, wind, and methane gas electric generation plants. In California, Onward has developed over 2,300 MW of renewable and methane gas projects that are in operation today. Onward currently has 200 MW of battery storage in development in California.

Workforce Requirements

Consistent with the CC Power Board direction for enhanced contracting conditions, the developer will construct the project under a project labor agreement, thus assuring payment of prevailing wages and use of apprenticeship programs. The project will also adhere to CC Power environmental and environmental justice conditions.

Participating CCAs

Six of the CC Power CCAs are participating in this contract. The CCAs and their shares of the project are identified in the table below. The project’s capacity was allocated to the CCAs based on their obligation under the CPUC MTR procurement mandate.

CCA	Entitlement Share %	Expected Entitlement Share MW
CPSF	21.50%	10.75
RCEA	4.00%	2.00
SJCE	24.22%	12.11
SVCE	28.42%	14.21
SCPA	17.36%	8.68
VCE	4.50%	2.25
Total	100%	50

Below is a table identifying how VCE is planning to satisfy the MTR mandate for long duration storage.

MTR Requirement NQC MW	MTR Obligation NQC MW	Tumbleweed Entitlement Nameplate MW	Remaining Need NQC MW	Goal Line Entitlement Nameplate MW	Net Open Position +Surplus/(-) Deficit NQC MW
4.0	5.1	2.86	2.25	2.25	0

Strategic Plan

The Goal Line project supports the following objectives in VCE's strategic plan:

Goal 2: Manage power supply resources to consistently exceed California's Renewable Portfolio Standard (RPS) while working toward a resource portfolio that is 100% carbon neutral by 2030

-2.3 Objective: Deploy storage and other strategies to achieve renewable, carbon neutral, resource adequacy, and resiliency objectives.

Discussion/Conclusion

VCE's expected share of the Goal Line project is approximately 4.5% of the project which is equivalent to 2.25 MW nameplate capacity or 1.76 MW NQC. This will satisfy nearly 50% of the LDS mandate assigned to VCE.

Staff will be asking the Board to approve VCE's participation in the Goal Line project at the April 14, 2022 meeting. In addition, each participating CCA is asking its Board for cushion to allow them to proceed with this project in case there are changes in share allocation due to any CCA not receiving their Board's approval (note: VCE will seek approval for up to 5MW total between Tumbleweed and Goal Line). This will also cover situations where there is a step-up event. Staff anticipates that all CCA's will receive approval to participate, but in the event one or more do not, this buffer will help avoid the need to go back to each of the CCA Boards for re-approval.

The Goal Line project is the second project for CCAs to procure together through CC Power, and the second LDS project contract to be executed to meet the MTR procurement mandate.

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 12

TO: Community Advisory Committee (CAC)

FROM: Edward Burnham, Director of Finance and Internal Operations

SUBJECT: Update on VCE's customer rate options.

DATE: March 24, 2022

RECOMMENDATION

Receive an informational presentation reviewing VCE's past examination of customer rate options and initiate discussion regarding a future potential additional rate option.

OVERVIEW

The purpose of this report is to re-open the examination of adding a third customer rate option.

BACKGROUND AND ANALYSIS

This agenda item aims to refresh the CAC on the cost-recovery-based customer rate structure policy adopted by the Board on November 10, 2021, which is linked [here](#).

Beginning in mid-2020, VCE started to explore the concept of cost-based rates to address financial issues associated with the power market and regulatory volatility. The Board's overall cost-based customer rate policy established a more stable financial foundation for VCE given regulatory (PCIA, RA) and market conditions largely outside VCE's direct control. The Board adopted the cost-recovery Rate Policy in November 2021. The Policy is in keeping with VCE's Strategic Plan goal to maintain financial stability while offering local control, customer choice, competitive pricing, and establishing local programs.

VCE's cost-recovery rate policy enables VCE to calibrate rates to actual cost and reserve requirements rather than indexed to PG&E's bundled rates. As part of the policy adoption process, the VCE Board directed Staff to continue analyzing and bring back an expanded customer rate structure for consideration.

Expanded Customer Rate Structure

Included in the previous staff reports on this topic in the summer and fall of 2021, the CAC considered an expanded customer rate structure. The proposal included the introduction of a new least-cost customer option that would continue to be directly indexed to PG&E's rates. This new rate option was designed in recognition that the pandemic has impacted many VCE customers and that rising utility

bills have further strained family and business finances. As part of the expanded rate options, VCE would calibrate the existing default (Standard Green) and opt-up (UltraGreen) options, along with the new rate option, to recover actual cost and reserve requirements. While the Board ultimately adopted the cost-recovery aspects of the proposal, consideration of the additional rate was postponed. Please see the below figure 1 that summarizes the proposed customer rate structure. Table 2 below shows the cost-based rate structure information in table form as previously presented to the Board.

Figure 1 – Proposed Customer Rate Structure Design

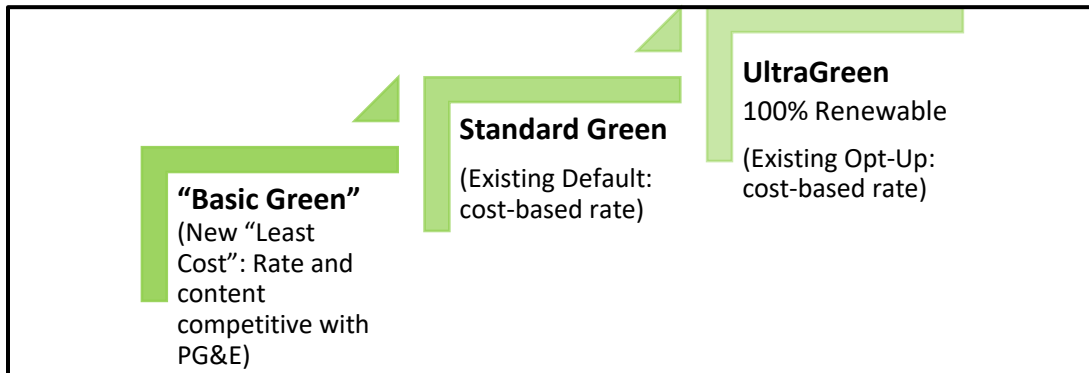


Table 2 – Proposed VCE Cost-based Rate Structure

Customer Rate Option	Rate	Portfolio	Notes
Basic (new)	Competitive with PG&E (+/- 2%)	<ul style="list-style-type: none"> Minimum portfolio for VCE to comply with regulatory requirements 	<ul style="list-style-type: none"> Not eligible for customer dividend program CARE/FERA customers maintain existing VCE multi-year portfolio mix for Standard default through 2023; shift to the enhanced portfolio in 2024
Standard Green - Default (existing)	Cost-based	<ul style="list-style-type: none"> Maintain existing VCE multi-year portfolio mix 	<ul style="list-style-type: none"> Portfolio minimum percent renewable content above Basic Eligible for customer dividend program
UltraGreen – Opt-up (existing)	Cost-based	<ul style="list-style-type: none"> Maintain existing 100% renewable portfolio 	<ul style="list-style-type: none"> Eligible for customer dividend program

Based on the feedback from the Board and CAC, Staff has recommended the following updated timeline for consideration of the expanded customer rate option and 2023 customer rate setting.

Preliminary Schedule

- April: CAC consideration/feedback on draft rate structure.
- May: CAC consideration/recommendation on updated draft rate structure.
- June: Board consideration/ feedback action on updated draft rate structure.
- July: Board consideration/ feedback and action on final draft rate structure.
- August: Begin 2023 Rate study/preliminary revenue needs
- September: Mid-year rate review of 2022 actuals
- October to December: Review 2023 customer rate study review and rate adoption.
- Jan 2023: Rates update report to Board/CAC.

CONCLUSION/NEXT STEPS

Staff is seeking feedback from the CAC on the potential establishment of an additional rate option.

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Item 13

To: Community Advisory Committee

From: Mitch Sears, Executive Officer
Rebecca Boyles, Director of Customer Care and Marketing
Sierra Huffman, Program and Community Engagement Analyst

Subject: Electric Vehicle Rebate Pilot Program

Date: March 24, 2022

RECOMMENDATION

Review and provide feedback on Phase 1 of Valley Clean Energy’s Electric Vehicle Rebate Pilot Program.

BACKGROUND

Mid-2021, VCE began developing an Electric Vehicle (EV) Rebate Pilot Program within the context of a national and statewide movement in transportation electrification. The shift in focus from traditional gas vehicles with the recognition of the emissions associated with fossil fuel transportation motivated VCE to explore the most effective ways to increase local EV adoption. VCE is designing a program that stacks with existing EV rebates and incentives, providing our customers with additional incentives. Initial research and engagement identified that providing customers with greater financial assistance, especially to those of lower income, could increase the adoption of EVs by making it a more feasible financial decision.

Considering the complexities that arise from providing rebates or incentives for electric vehicles, VCE would like to take a phased approach to the pilot. Phase 1 will embody a simple, streamlined approach that is straightforward to implement and easy for customers to apply. Phase 1 will provide rebates for new electric vehicles if the customer provides proof that they have received a rebate from a state program. Low-income applicants will receive a more generous rebate, and higher rebates will be provided to battery EVs as compared to plug-in hybrids. Income eligibility will be set to match state EV programs.

PROGRAM DESIGN

Staff believes that taking a phased approach to this pilot is the best way to provide value while learning more about the intricacies of providing EV rebates. After the conclusion of the initial phase, staff (with the assistance of the CAC Programs Task Group, or PTG) will determine how to expand vehicle eligibility to include used vehicles, as well as the added value and feasibility of proving a point-of-sale incentive for electric vehicle purchases.

Existing State and Regional Rebate Programs

Three state programs and one regional program are providing financial assistance for EVs: the Clean Vehicle Assistance Program Grant (CVAP), Drive Clean Assistance Program (DCAP), California Clean Fuel Reward (CCFR), and the Clean Vehicle Rebate Program (CRVP). Both the CVAP and DCAP provide grants to income-qualified applicants before they purchase an EV. The CCFR is a small automatic incentive that is provided right at purchase. The CVRP provides a rebate three to six months after an EV purchase to any eligible customer with an income under the high earners cap, with higher rebates provided to low-income applicants. Each program provides different amounts of financial assistance with slightly different customer and vehicle eligibility criteria. Currently the CVAP is out of funds and applicants are being put on a wait list. Funding is likely to resume soon.

Staff is still considering which state program approach with which to align in Phase 1. Staff is leaning toward aligning with the CVRP because it differentiates between low- and mid-high income and tracks that the vehicles are kept for at least 30 months, and the program currently has funding. This is the approach Redwood Coast Energy Authority chose for their EV rebate program, for many of the same reasons cited. Please see Attachment A for more details on state and regional rebate programs.

Staff will engage customers by potentially joining related webinars, attending in-person events, and connecting with customers through collateral such as web materials, social media, advertising, and printed information. Webinars/in-person events give customers the opportunity to ask questions about navigating the many rebates and incentives, as well as cover topics on owning and maintaining an EV. Marketing collateral would explain the benefits of owning an EV such as reduced or eliminated gas cost, reducing greenhouse gas emissions, and potential vehicle to grid benefits. Additional advertising strategies are being explored such as radio ads and bus ads to reach a greater audience and more diverse demographic. Emphasis will be put on engaging low-income customers and disadvantaged communities.

FINANCIAL IMPACT

Overall budget is being discussed. A dedicated portion of the budget may be spent on marketing, advertising and customer engagement; while the majority will be allotted to rebates. Staff (in consultation with the PTG) is loosely planning on rebate amounts as follows: low-income customers would be provided with \$4,000 for any new battery or plug-in hybrid EV; all other eligible customers would receive \$2,000 for new plug-in hybrids or \$2,500 for new battery EVs.

CONCLUSION

Staff is asking the CAC for feedback, especially regarding vehicle or customer eligibility, marketing and advertising strategies, and rebate dollar amounts.

Attachment:

1. Attachment A: EV Rebates Available to VCE Customers

EV Rebates/Grant for VCE Customers								
Program	Eligible EVs	Purchase Type	Income Criteria	When to Apply	\$ Amount (Min)	\$ Amount (Max)	Wait Time	Program Date
Clean Vehicle Assistance Program (CVAP) Grant	Participating Dealerships Only	New, Used, Leased	Yes	Before Purchase	\$ 2,500.00	\$ 5,000.00	Wait List: Unknown	Restarting mid-year 2022
Drive Clean Assistance Program (DCAP)	Any – Assistance finding a vehicle is provided by a counselor	New, Used, Leased	Yes	Before Purchase	Unknown	\$ 5,000.00	~ 3 Months	Current: Based on available funding
California Clean Fuel Reward (CCFR)	Participating Dealerships Only	New, Leased	No	During Purchase (Automatic)	\$ 454.22	\$ 750.00	None	Current: Based on available funding
Clean Vehicle Rebate Project (CVRP)	Specific Models Only	New, Leased	Yes	After Purchase	\$ 1,000.00	\$ 4,500.00	~ 3 - 6 Months	Current: Based on available funding