



VCE Community Advisory Committee Meeting - April 28, 2022
via video/teleconference

Item 9 – Electric Vehicle Rebate Pilot Program



Public Comments

To Provide Public Comment on any agenda item please:

- E-mail 300 words or less to: meetings@valleycleanenergy.org

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Item 9 – Electric Vehicle Rebate Pilot Program

Requested Action: Review and provide recommendation to Board on Phase 1 of EV Rebate Pilot

Background & Context:

- Nat'l, Statewide push toward transportation electrification
- Rebates and tax credits available; VCE's pilot designed to stack and demystify the process
- Phased approach:
 - Phase 1 is streamlined. Providing rebates based on proof from customer of other (vetted) rebate programs
 - Phase 2: Reevaluate approach after phase 1 to potentially include used/leased vehicles, Point-of-Sale (POS) rebates, etc.

Item 9 – Electric Vehicle Rebate Pilot Program

Recommended Approach

- Align with Clean Vehicle Rebate Program (CVRP)
 - 3-6 months after purchase (if under “high earners cap”); higher rebates for income-qualified customers
 - Staff recommends alignment because it currently has funding; differentiates between low- and mid-high income eligibility; approach RCEA took

Item 9 – Electric Vehicle Rebate Pilot Program

Proposed Budget

Resource	Source	Proposed Budget	\$ Remaining in Program Funds
Rebates	Programs Budget	\$80,000	
Marketing, Education & Advertising	Programs Budget	\$10,000	
Consultants (if applicable)	Programs Budget	\$10,000*	
	Total	\$100,000	\$119,000

**Amount would be reallocated to customer rebates should staff not need additional program support*

Item 9 – Electric Vehicle Rebate Pilot Program

Next Steps

- Finalize proposed budget (including marketing/advertising components)
- Further research engagement aspect (webinars, in-person events)
- Present proposed program to Board after evaluating and integrating CAC feedback



yvonnehunterphotography.com

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Item 10 – Load and Power Costs Forecasting



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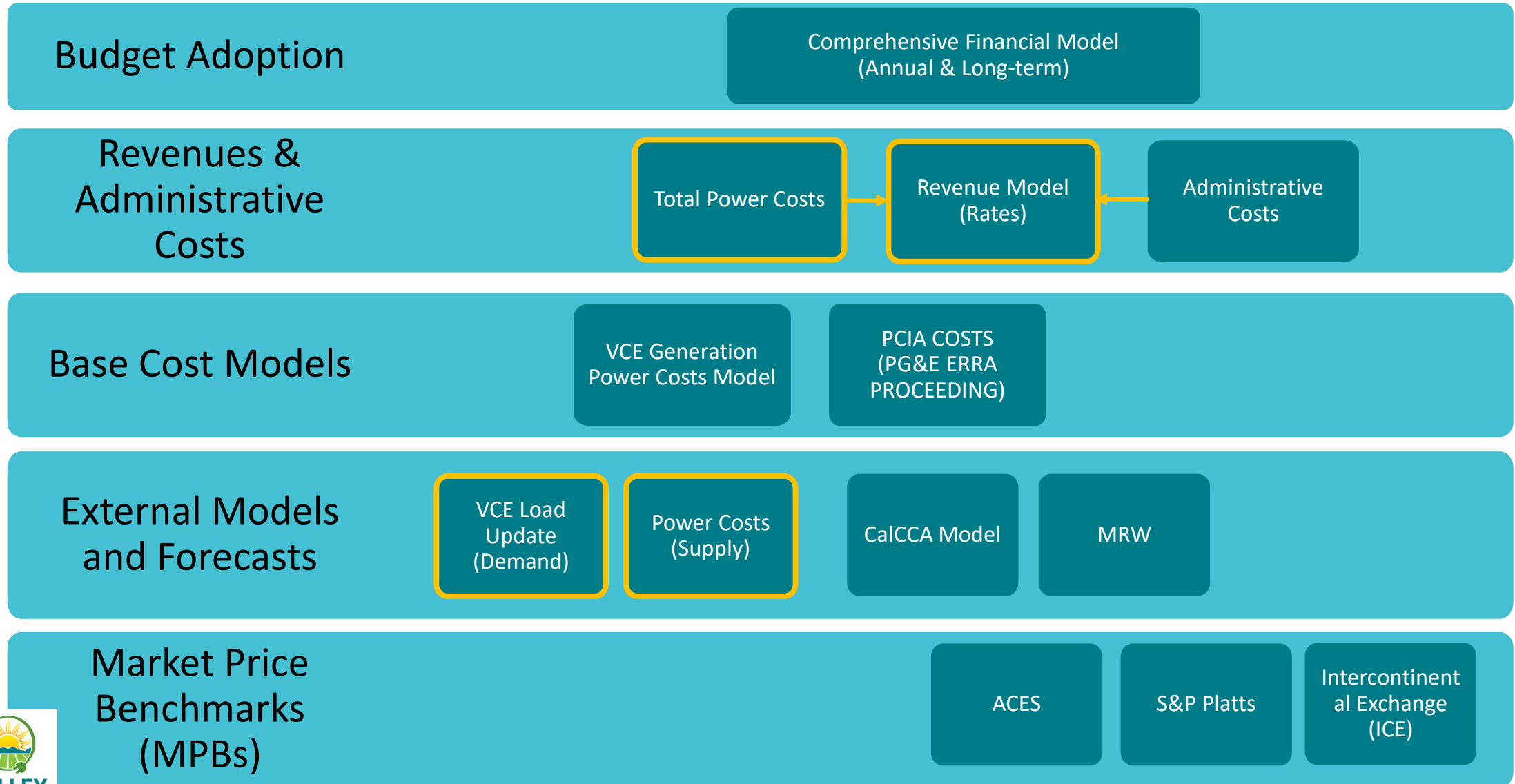
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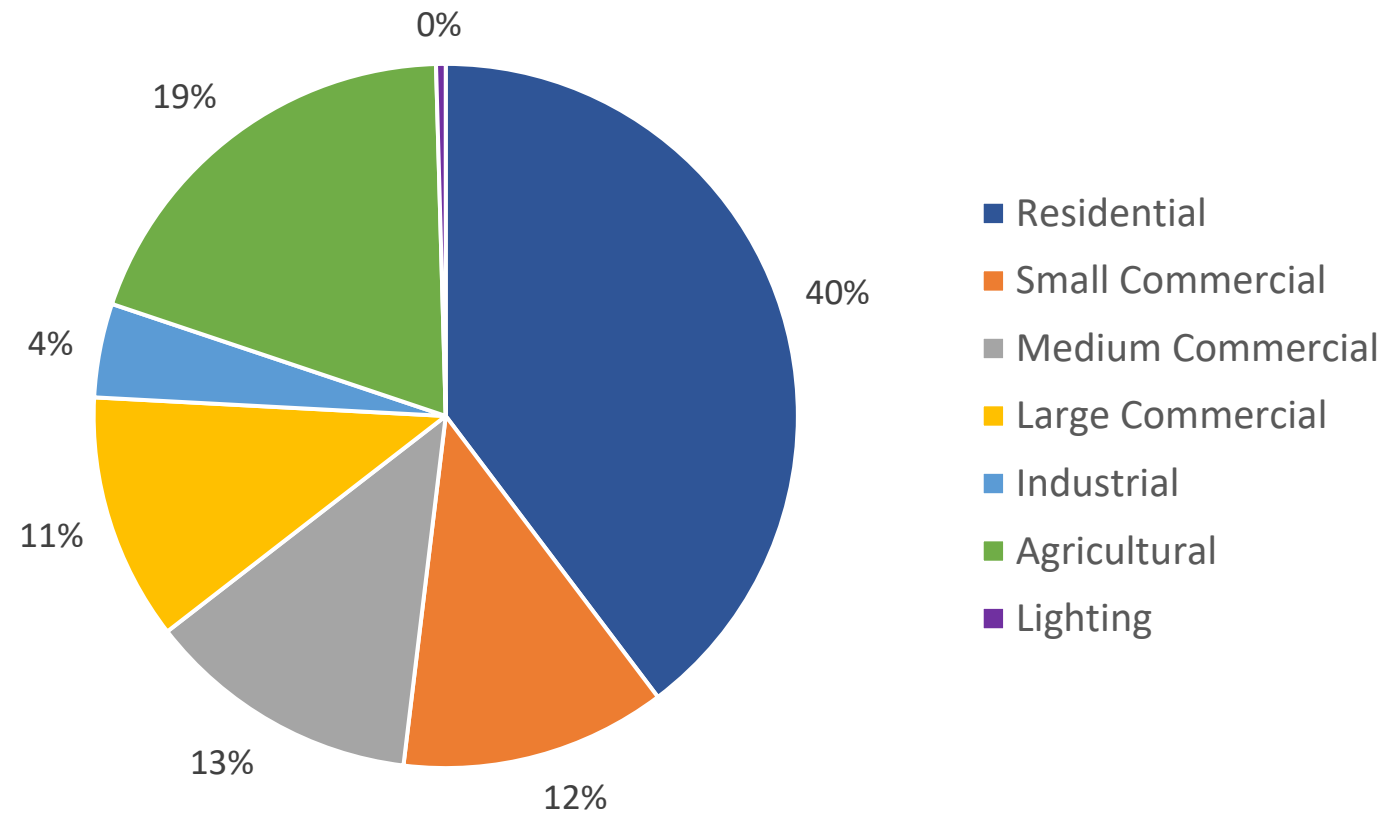
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Item 10 – Load and Power Costs Forecasting: Forecasting Overview



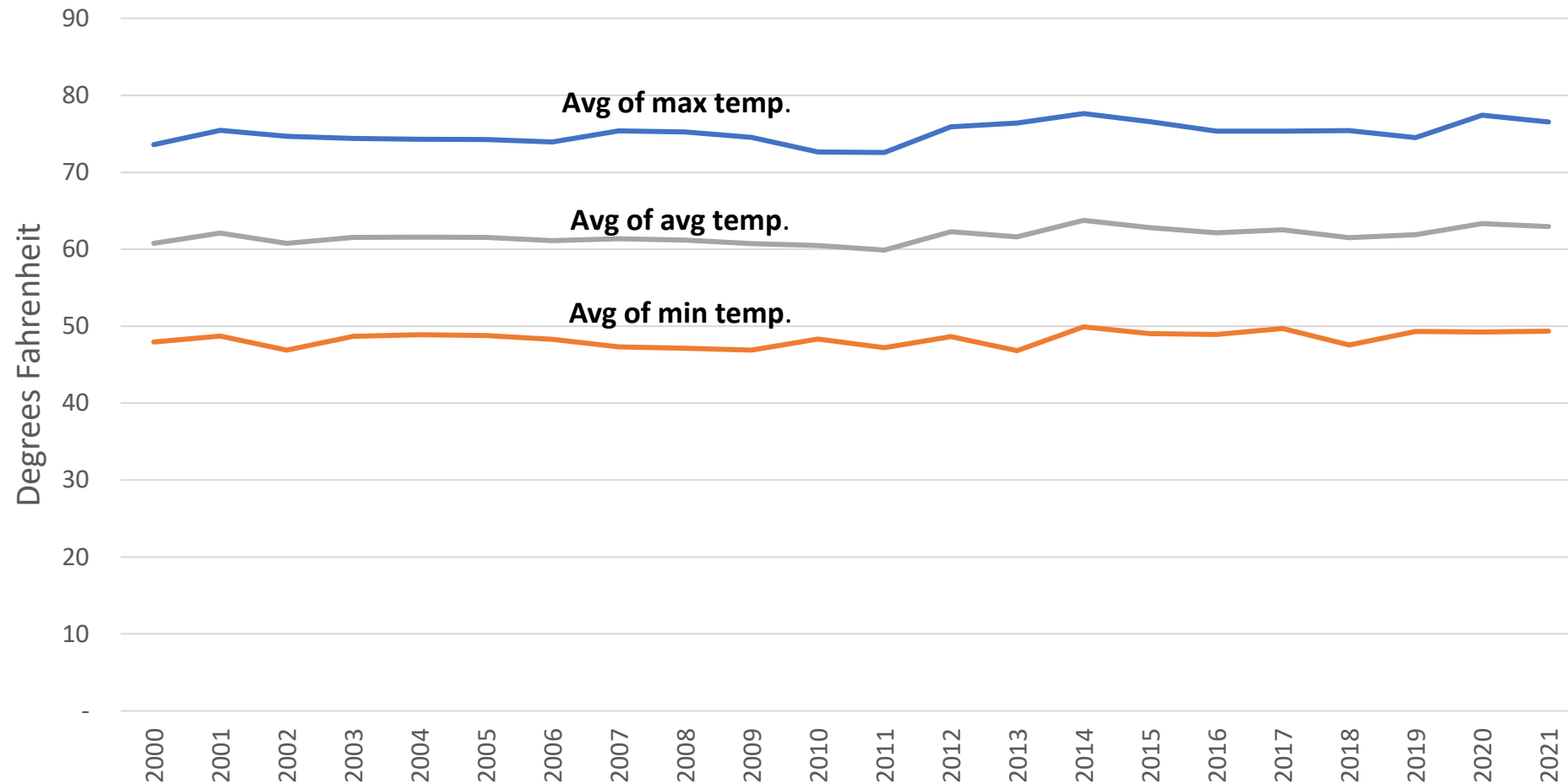
Item 10 – Load and Power Costs Forecasting: Retail Load by Customer Class



Wholesale load = retail load + 6% distribution losses

Item 10 – Load and Power Costs Forecasting: VCE Territory Historical Temperature Data

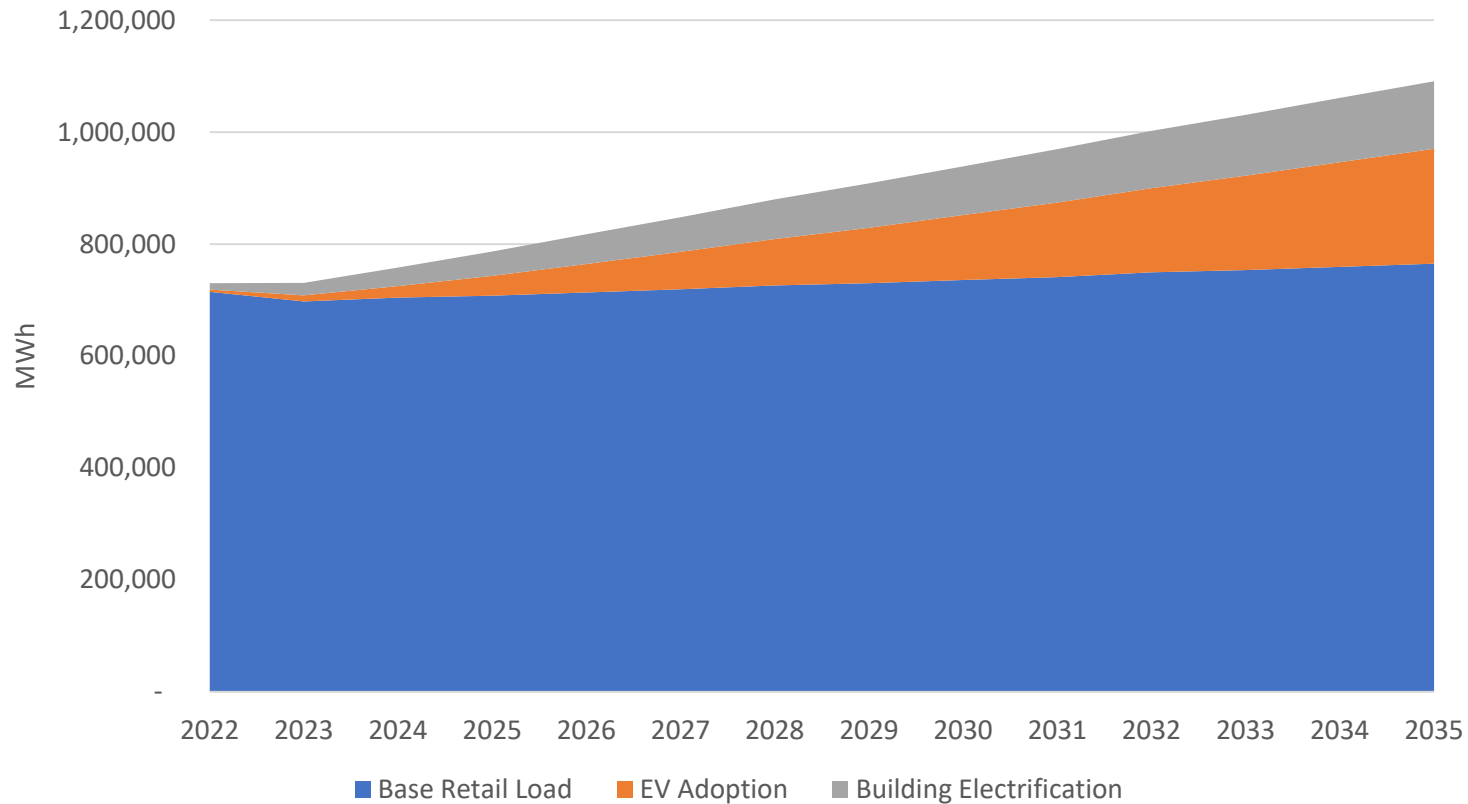
Temps are modestly changing but isolated temperature events are becoming more pronounced



- Notes: 1) Currently the average temperature is increasing by 0.36 degrees Fahrenheit per decade
2) Increasing the avg daily temp 1 degree Fahrenheit (across the entire year) resulted in a little over 1% increase in load annually (increase in summer and decrease in winter)

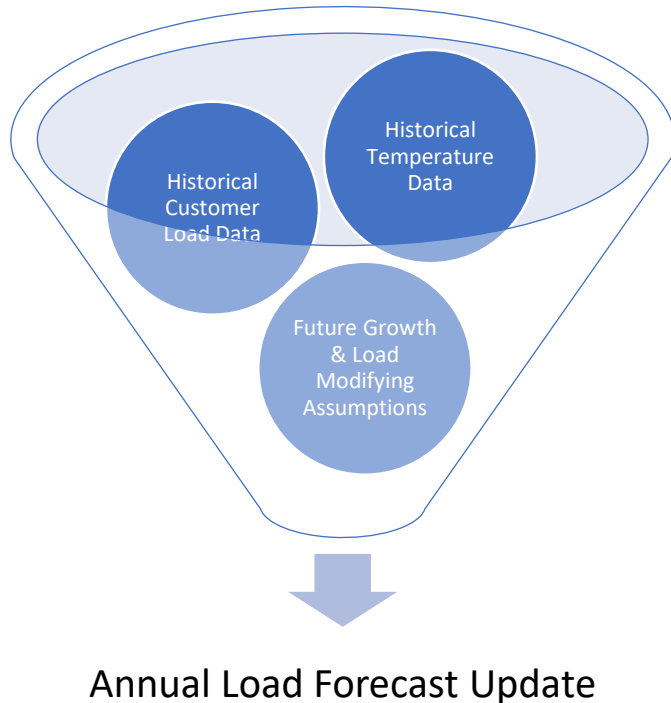
Item 10 – Load and Power Costs Forecasting: Impact of EV Adoption and Electrification

Monitoring the adoption of bldg. electrification as well as EV's is critical



- 2.2% load increase from electrification in 2022, 42.7% load increase from electrification (EV & Bldg) by 2035
- Load increase from EV adoption grows more quickly than building electrification
- In 2022, 26% of the electrification load increase is from EV adoption, 23% is from water heating electrification, 52% is from space heating electrification
- By 2035, 63% of the electrification load increase is from EV adoption, 12% is from water heating electrification, 25% is from space heating electrification

Item 10 – Load and Power Costs Forecasting: Load Forecast Process and Submittals



Annual Load Forecast informs multiple important planning processes and compliance submittals

- Portfolio models: power costs, resource adequacy and energy position, RPS compliance position
- April: submittal to CPUC and CEC for RA obligation
- February and September: submittal to PG&E for ERRA proceeding
- Odd years: submittal to CEC for Integrated Energy Policy Report (IEPR)
 - Note: odd year IEPR load forecast is used for the even year Integrated Resource Planning process OR new option is to use VCE's 2022 load forecast
- July: submittal to CPUC for RPS Procurement Plan

Item 10 – Load and Power Costs Forecasting: Implications of Getting it Wrong

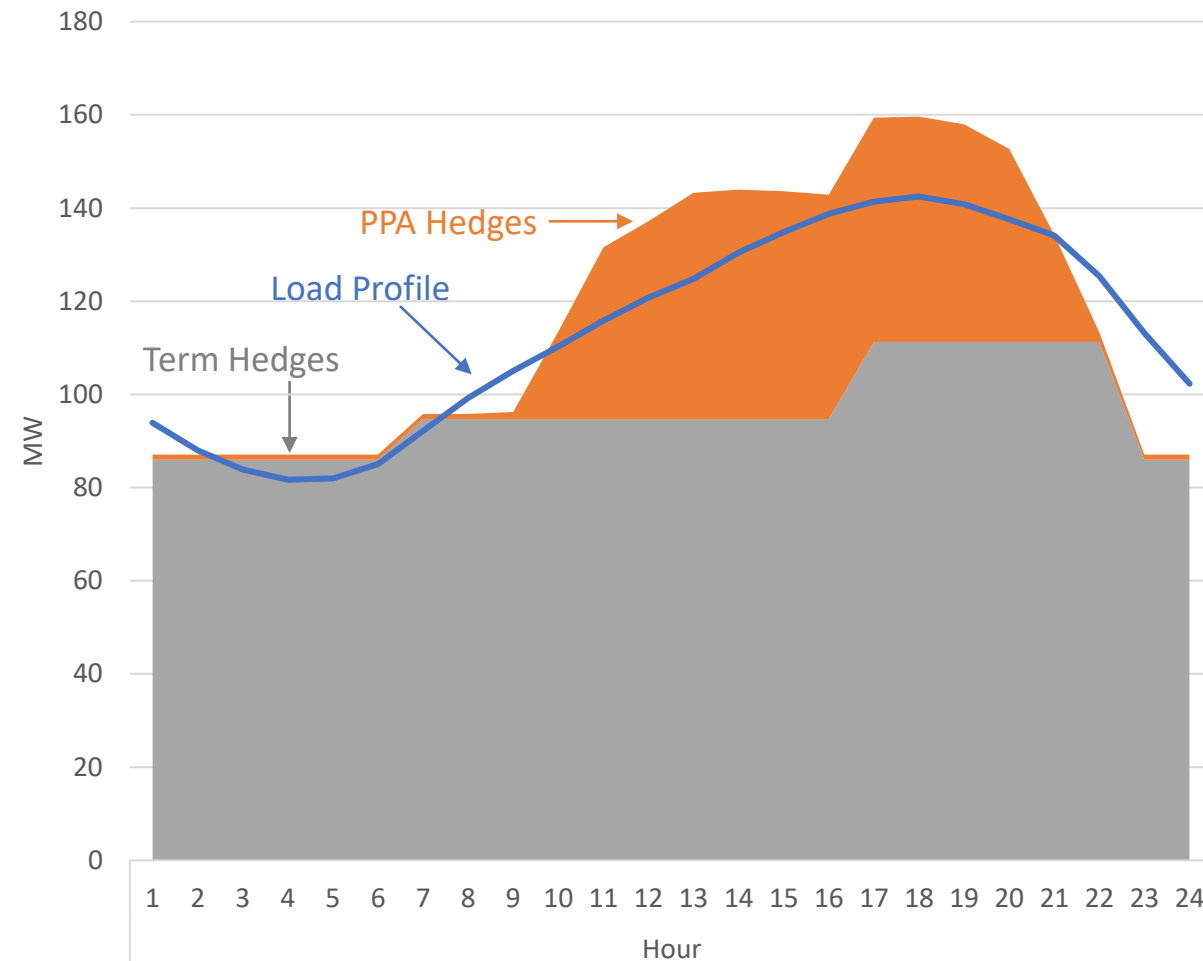
An inaccurate forecast can result in short term financial impacts

- Overshooting the forecast results in:
 - Higher RA obligations
 - Unnecessary procurement
- Undershooting the forecast results in:
 - RPS compliance risk (across compliance period)
 - Need for additional procurement

Item 10 – Load and Power Costs Forecasting: Power Cost Modeling

Inputs to power cost model

- Load forecast
- Contracts – price and volume
 - Short-Term Resource Adequacy
 - Short-Term Energy Hedges
 - RECs or carbon-free products
 - PPAs (provide all products – energy, RA, RECs)
- Obligations
 - Energy: hourly load
 - RA: monthly peak + 15%
 - RECs: Compliance Period target, Board targets
- Prices for uncommitted purchases and sales
 - Monthly forward prices, based on a combination of actual forward transaction activity and market intelligence
 - For energy, monthly prices are converted to hourly
 - Hourly price shape incorporates the new projects in the interconnection queue, therefore shape changes over time



Item 10 – Load and Power Costs Forecasting: Next Steps

Next Steps & Discussion

- April – Load Forecast & Power Costs ✓
- May – Revenues & Budget

Revenues &
Administrative
Costs

Total Power Costs
(Including PCIA)

Revenue Model
(Rates)

May Discussion