

**Valley Clean Energy Alliance (VCEA)
Community Advisory Committee (CAC) Meeting
Monday, December 3, 2018 at 5:30 p.m.,
Davis Senior Center, 646 A Street, Davis, CA 95616**

Meetings are accessible to people 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, VCEA Board Clerk/Administrative Analyst, at least two (2) working days before the meeting at (530) 446-2754 or Alisa.Lembke@valleycleanenergy.org.

If you have anything that you wish to be distributed to the Committee and included in the official record, please hand it to a member of VCEA staff who will distribute the information to the Board members and other staff.

Committee Members: Gerry Braun (Chair), Christine Shewmaker (Vice-Chair), Marsha Baird (Secretary), Mark Aulman, Yvonne Hunter, Lorenzo Kristov, and David Springer.

5:30 PM CALL TO ORDER

- 1. Welcome and Roll Call**
- 2. Approval of Agenda**
- 3. Public Comment** - This item is reserved for persons wishing to address the Advisory Committee on any VCEA-related matters that are not otherwise on this meeting agenda. Public comments on matters listed on the 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 Committee are customarily limited to two minutes per speaker, but an extension can be provided at the discretion of the Chair.
- 4. Brief VCEA Staff and Advisory Task Group Reports** - Representatives of VCEA 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.

CONSENT AGENDA

- 5. Approval of draft October 29, 2018 Committee Meeting Minutes**
- 6. Receive Customer Enrollment Update**



REGULAR AGENDA

7. **Staff Recommendation to Proceed/Complete PCC-2 Procurement for 2019**
8. **Review VCE Board Approved modifications to Valley Clean Energy's rate structure, rate discount and postponement of NEM Customer Enrollment that partially address the financial impacts associated with the California Public Utilities Commission's October 11, 2018 Power Charge Indifference Adjustment decision. (Informational - 30 minutes)**
9. **Review and discuss Updated CAC Charge, Year Two (Operations Phase) Activities and Topics, CAC Work Plan Priorities, and possible 2019 Task Groups and Advisory Process Improvements. (30 minutes)**
10. **Election of Chair, Vice Chair and Secretary, Effective January 2019. (15 minutes)**
11. **Advisory Committee Member and Staff Announcements**

Action items and reports from members of the Advisory Committee, including announcements, future agenda items, and reports on meetings and information which would be of interest to the Committee or the public.

The Community Advisory Committee meeting scheduled for Monday, December 31, 2018 in Woodland has been cancelled. The next Community Advisory Committee meeting has been scheduled for Monday, February 4, 2019 at 5:30 p.m. at the Yolo County Department of Community Services, Cache Creek Room, 292 W. Beamer St., Woodland, CA 95695.

The next Valley Clean Energy Alliance *Board* meeting is scheduled for Thursday, December 13, 2018, at 5:30 p.m. at the Davis Senior Center, 646 A Street, Davis, CA 95616.

12. **Adjournment (Approximately 7:30 p.m.):** Public records that relate to any item on the open session agenda for a regular board meeting are available for public inspection. Those records that are distributed less than 72 hours prior to the meeting are available for public inspection at the same time they are distributed to all members, or a majority of the members of the Board. VCEA public records are available for inspection by contacting Board Clerk Alisa Lembke at (530) 446-2750 or Alisa.Lembke@ValleyCleanEnergy.org. Agendas and Board meeting materials can be inspected at VCEA's offices located at 604 2nd Street, Davis, California 95616; those interested in inspecting these materials are asked to call (530) 446-2750 to make arrangements. Documents are also available on the Valley Clean Energy website located at: www.valleycleanenergy.org/meetings.

**VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE**

Staff Report Item 5

TO: VCEA Community Advisory Committee
FROM: Alisa Lembke, Board Clerk/Administrative Analyst
SUBJECT: CAC Draft October 29, 2018 Meeting Minutes
DATE: December 3, 2018

Recommendation

Receive, review and approve the attached draft October 29, 2018 CAC meeting Minutes.



MINUTES OF THE VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE MEETING
Monday, October 29, 2018

Chairperson Gerry Braun opened the Community Advisory Committee of the Valley Clean Energy Alliance in regular session beginning at 5:37 p.m. at the Yolo County Department of Community Services, located at 292 W. Beamer Street, Woodland, California.

Welcome and Roll Call

Committee Members Present: Gerry Braun (Chair), Christine Shewmaker (Vice-Chair), Marsha Baird (Secretary), Yvonne Hunter, Lorenzo Kristov, Mark Aulman, David Springer

Committee Members Absent: None

Approval of Agenda

Mark Aulman moved to approve the October 29, 2018 Community Advisory Committee Agenda, seconded by Christine Shewmaker. Motion passed unanimously by the following vote:

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

NOES: None

ABSENT: None

ABSTAIN: None

Public Comment

Chairperson Braun opened up the floor to public comment. There being none, he closed the comment period.

VCEA Staff and Advisory Task Group Reports

Outreach Task Group: Mr. Aulman provided an update on the community outreach and marketing services request for proposals (RFP). The Outreach Task Group was asked to assist VCE Staff with reviewing proposals received and interviews. He informed those present that eight (8) proposals were received; four (4) were interviewed over the past two weeks; and, two (2) finalists were selected as the most qualified. Each finalist was asked to submit three (3) references and VCE Staff are calling those references provided. Staff will then present findings to the Board at their scheduled meeting on Thursday, November 15th. Mr. Kristov asked if a recommendation from the CAC will be needed. Mr. Aulman stated that a recommendation from the CAC would not be needed.

Regulatory/Legislative Task Group: Ms. Yvonne Hunter informed those present that several telephone conference calls have been set up in the next few weeks to discuss several different matters, such as recommendation process and how to assist VCE Staff, then she will meet with Mr. Mitch Sears to discuss.

Ms. Lisa Limcaco announced that VCE along with the Cities of Davis and Woodland and Yolo County partnered to submit a grant application and was chosen as a recipient of the SACOG grant in the amount of approximately \$2.9 million.



**Approval of
October 1, 2018
Committee
Meeting Minutes**

Chairperson Braun made a motion to approve the October 1, 2018 CAC meeting Minutes, seconded by Ms. Marsha Baird. Motion passed unanimously with Mr. Aulman abstaining.

CAC Charge

Ms. Hunter made a motion to approve the revised and updated CAC Charge, seconded by Ms. Christine Shewmaker. Motion passed unanimously. Ms. Hunter thanked everyone for providing their input and suggested that VCE Staff when presenting the CAC's recommendation to the Board, to include the original Charge with redlined revisions.

**Draft Revised
CAC First Year
Progress Report**

Chairperson Braun thanked everyone for their contribution. Ms. Baird informed those present that she incorporated the most recent comments. Ms. Hunter made one final suggestion which was to add the positions (Chair, Vice Chair, and Secretary) next to the Member's name.

Ms. Shewmaker made a motion to approve the First Year Progress Report with the addition of positions held next to the Member's name, seconded by Chairperson Braun. All of the members thanked Ms. Baird for incorporating everybody's input into a report. Chairperson Braun commented that it is a timely report and good for soliciting new members because the report captures what the CAC have been doing. Motion passed unanimously

**Updated on PCIA
and SB 237**

VCEA Staff Gary Lawson provided a brief recap of the California Public Utilities Commission's (CPUC) decision on the Power Charge Indifference Adjustment (PCIA), commonly known as the "exit fee". This fee is charged to customers who leave a large utility to receive electric generation from a Community Choice Aggregate (CCA). He stated that information is coming in and no analysis has been completed at this point because of so many "moving parts". He reviewed the history and how PCIA costs are determined. He reminded those present that the CPUC adopted the Alternate Proposed Decision (APD) on October 11, 2018. He reviewed several scenarios and how those scenarios would impact VCEA, highlighting items such as impact on financials, net income, and Debt Service Coverage Ratio (DSCR).

He informed those present that the PCIA and PG&E rates should be forthcoming and were anticipated to be published on November 8th, so this was the main reason for the VCEA Board to cancel their November 8th meeting and hold a special meeting on November 15th since more information should be available.

He informed the CAC that the Board would need to make some policy decisions. Options will be provided to the Board at their PCIA Workshop (Special meeting) scheduled for Thursday, November 1st. Policy options, such as reducing renewable/clean energy content in 2020 as the 2019 energy has already been procured; deferring NEM customer enrollment; reducing what is paid to a NEM generator; eliminating or reducing VCE rate discount; and, reducing operating costs.



Questions and suggestions were provided by the CAC Members, such as, reducing reserves to assist with cash flow; why does postponing NEM customer enrollment matter; possibly offering a choice to the NEM customer to opt in but only if billed monthly in the effort to help with the cash outlay; suggestion to include the 10% operating costs in the scenarios; and, how often are the PCIA rates reviewed.

Mr. Lawson explained that deferring NEM enrollment assists with the cash outlay issue and PCIA rates are reviewed annually by the CPUC.

Mr. Lawson reviewed the upcoming Board calendar with a Special meeting / PCIA workshop scheduled for Thursday, November 1st; cancelling the Board's regularly scheduled meeting of November 8th and scheduling a Special Board meeting for Thursday, November 15th; and the December meeting.

The CAC Members discussed their concerns, such as how to 1) best communicate with VCE customers; 2) increase Customer support and participation; and, 3) balance short- and long-term goals while focusing on VCE's vision. In addition, CAC Members discussed the need for clear communication with Customers and the potential of an increase in opt outs. Chairperson Braun suggested that VCE Staff look at VCE's power mix.

Ms. Shewmaker provided information on Senate Bill 237 – Direct Access which was recently signed into law in September 2018. She commented to those present that this bill will have an effect on VCE and other CCAs.

**VCEA Staff
Report on
Quarterly
Procurement
Update**

Mr. Lawson reviewed with those present some of the highlights of his quarterly report on the procurement progress of VCE's Energy Portfolio which was presented to the Board at their meeting held on October 18, 2018. He reviewed forecast peak, energy loads, peak day loads, power budget, original forecast, and current forecast. He informed those present that procurement of energy is approximately 85-90% of VCE's budget.

**Review and
discuss Board and
CAC Long Range
Calendars, Work
Plans, Local
Resource
Development
Update and
Progress on IRP
Action Steps**

Mr. Lawson informed those present that he and Staff have been working on the Long-Term Resource Plan, Integrated Resource Plan, and evaluating the proposals received in response to the Request for Offers (RFO) for Renewable Resources.

Terms of Service

Chairperson Braun asked Board Clerk Alisa Lembke to introduce the solicitation and recruitment item. Ms. Lembke provided a verbal update of the current advertisement status. Ms. Hunter suggested that VCE Staff ask the City of Woodland and Yolo County to post the solicitation on their website. Ms. Shewmaker introduced the terms of service of the current CAC Members. The CAC Members discussed the possibility of longer



terms to retain continuity, the current level of commitment that has been shown by its Members, and the experience of its existing Members. It was suggested that Staff look into the option of having Members at Large and the process of appointment of CAC Members.

After a brief discussion, the Members agreed to be in the following “classes” for terms of service:

Class 1

Yolo – David Springer
Woodland – Mark Aulman
Davis – Yvonne Hunter

Class 2

Yolo – Marsha Baird
Woodland – Christine Shewmaker
Davis – Gerry Braun

Class 3

Yolo – Vacant
Woodland - Vacant
Davis – Lorenzo Kristov

**Advisory
Committee
Member and Staff
Announcements**

Ms. Shewmaker informed those present that she attended the Board’s last meeting and there was mention of potential legal action. She asked Staff if CalCCA would be filing a rehearing request of the California Public Utilities Commission’s decision on the Power Charge Indifference Adjustment (PCIA). Ms. Limcaco informed those present that there are some issues that would be discussed in closed session at the Board’s next meeting.

Mr. Aulman informed those present that the Daily Democrat published a story on the PCIA and worked with VCE Staff Jim Parks on drafting a response but put a hold on responding until more facts came in and/or there was more chatter.

Mr. Springer asked how it went with VCE presenting information to the City of Winters Council at their meeting held earlier this month. Staff will check with Interim General Manager Mitch Sears on the status.

Next Meeting

The next Community Advisory Committee meeting is scheduled for Monday, December 3, 2018 at 5:30 p.m. at the Davis Senior Center, 646 A Street, Davis, CA 95616.

Adjournment

Chairperson Braun made a motion to adjourn, seconded by Ms. Baird.

Meeting was adjourned at 8:00 p.m.

Alisa Lembke
Board Clerk/Administrative Analyst

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Agenda Item 6

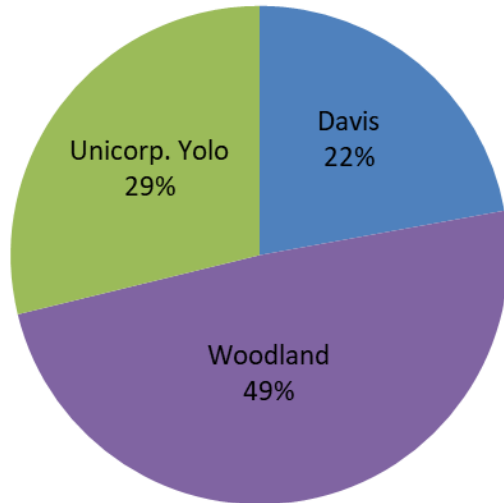
TO: VCEA Community Advisory Committee
FROM: Mitch Sears, Interim General Manager, VCEA
SUBJECT: Customer Enrollment Update (Information)
DATE: December 3, 2018

RECOMMENDATION

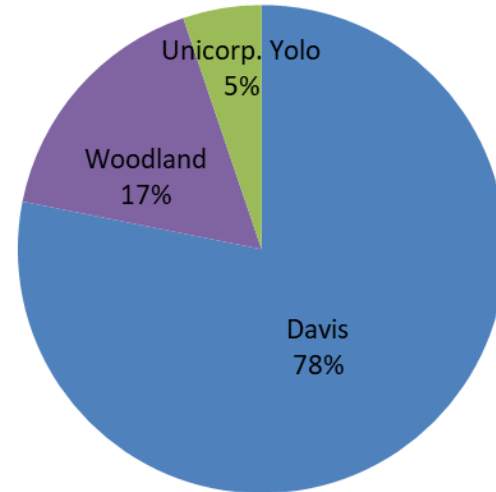
Receive and review the attached Customer Enrollment update as of November 29, 2018.

Enrollment Update

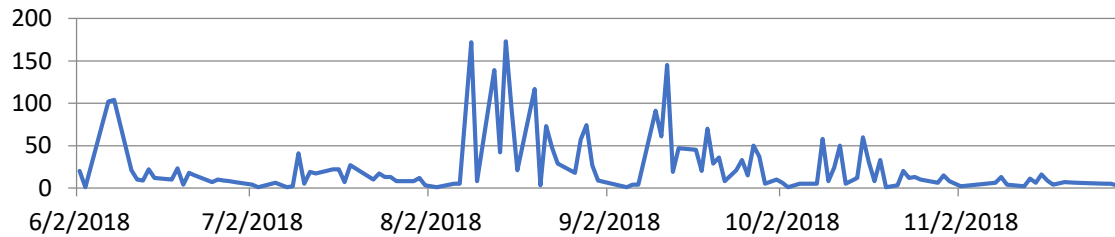
4,268 Opt Outs
6.6% of customers



96 Opt Ups



Daily Opt Outs



	Eligible	Opt-Out	% Opt Out
Residential	56,500	3,582	6.3%
Non-Residential	8,500	686	8.1%
Total	65,000	4,268	6.6%



Status Date: 11/29/18

VALLEY CLEAN ENERGY ALLIANCE

Staff Report – Agenda Item 7

TO: Valley Clean Energy Community Advisory Committee

FROM: Mitch Sears, Interim General Manager
Gary Lawson, Sacramento Municipal Utility District (SMUD)

SUBJECT: Resumption of 2019 PCC-2 Renewable Procurements

DATE: December 3, 2018

RECOMMENDATION

Recommend that the VCE Board of Directors approve a resolution authorizing staff to resume the procurement of PCC-2 Renewable Power for VCE's projected 2019 needs.

BACKGROUND

On May 30, 2018 the Community Advisory Committee recommended approval of staff's recommendation to suspend PCC-2 power procurements until the California Energy Commission (CEC) adopts new rules related to revisions in the Power Source Disclosure/Power Content Label (PSD/PCL) requirements for California Load Serving Entities (LSEs). These new rules result from changes to the PSD/PCL law affected by AB 1110 passed in 2016. The changes are to apply starting with 2019 power deliveries. (The resulting reporting would be published in 2020 on the specified reporting schedule for 2019 deliveries.) AB 1110 changes include the addition of greenhouse gas emissions intensity reporting in the mandatory Power Content Labeling.

On June 6, 2018, the VCE Board adopted a resolution supporting the CAC and staff's recommendation to suspend PCC-2 power procurements until the Energy Commission took action.

At the time of the Board's June action, CEC staff had developed a draft proposal that that would not be favorable with regard to the greenhouse gas reporting associated with PCC-2 renewable power imports. As the Committee will recall, PCC-2 renewable power is imported from outside California from a seller supplying renewable energy certificates (RECs), from a renewable resource which are provided along with a power import into California from a different, non-renewable resource. Currently, the ownership of PCC-2 RECs is evidence that the purchaser has bought the renewable carbon free attributes of the supplying renewable energy resource. For example, the RECs might be matched with an import of power from a natural gas-fired power plant. The PCC-2 REC offsets any carbon emissions associated with the underlying imported energy. The draft CEC staff proposal would require the LSE to declare the carbon emissions associated with the underlying energy and would not allow the PCC-2 REC to offset the carbon emissions for greenhouse gas reporting purposes.

On October 9, 2018, CEC staff issued *AB 1110 Implementation Proposal for Power Source Disclosure, Third Version* which maintains their previous proposal with regard to needing to declare the GHG emissions intensity associated with the power import underlying the PCC-2 RECs.

At this point, development of the amendments to the PSD/PCL regulations is in the pre-rulemaking phase. CEC staff plan to conduct another pre-rulemaking workshop later this year to present draft regulatory language based on the AB 1110 Implementation Proposal for Power Source Disclosure, Third Version. VCE staff had anticipated that the CEC would have issued the rulemaking on the AB1110 changes by now. As it stands, the rulemaking won't be issued until sometime in 2019.

VCE still needs to procure the additional PCC-2 renewable power necessary to supply its targeted 42% renewable power content for 2019.

Note: procurement of PCC-2 resources is consistent with Board approved procurement strategy for the early years of VCE while longer-term PCC-1 renewable contracts are secured by VCE.

ADDITIONAL CONSIDERATIONS

While the changes in law require all LSEs to begin reporting greenhouse gas emissions intensity in 2020 for power deliveries during the 2019 calendar year, that legislation also allows a newly formed CCA to avoid reporting carbon emissions for 24 months up to 36 months after launch, meaning that VCEA would not have to report carbon emissions for 2019, and possibly not for 2020:

“Any new community choice aggregator formed after January 1, 2016, shall not be required to report data on greenhouse gas emissions intensity associated with retail sales until at least 24 months, but shall be required to report that data no later than 36 months, after serving its first retail customer” (PUC § 398.4 (k)2.F(ii).

Therefore, VCEA will have a choice on whether it reports greenhouse gas emissions in 2020 for 2019 power deliveries, and possibly in 2021 for 2020 power deliveries.

ANALYSIS

Table 1 in Attachment 1 shows the estimated carbon emissions for VCEA's 2019 power portfolio under the current assumptions that PCC-2 RECs would offset the carbon emissions associated with the matched imported power. The estimated carbon emissions intensity is 281 lb/MWh.

In the event that the CEC were to adopt CEC staff's position, the consequence to VCEA would be that without any action, VCEA's reported carbon emissions increase significantly. Table 2 in

the Attachment 1 shows that VCEA's estimated carbon emissions intensity could go to 421 lb/MWh based upon the reporting change and assuming VCEA took no other action to try and reduce reported carbon emissions. In the event that VCEA wanted to reduce its carbon emissions intensity to compensate for the GHG emissions intensity increase, VCEA would incur increased costs to procure additional no/low carbon energy to offset the increase in carbon emissions that would be attributed to PCC-2 renewable power. Under today's power costs, VCE could pay up to \$800,000 for the additional no/low carbon energy needed in 2019.

Note: As a reminder, VCE is utilizing PCC-2 resources as a temporary bridge to fill renewable energy needs and policy goals until longer-term renewable contracts are in place. VCE's solicitation process for these longer-term renewable contracts is currently underway. These resources are considered PPC-1, currently cheaper than PCC-2 resources, and are anticipated to begin coming on-line in late 2020/early 2021. Therefore, any PCC-2 contracts will be short-term and phased out as soon as possible.

CONCLUSION

Because the CEC has not yet acted and will not be enacting the PSD/PCL rule changes until sometime in 2019, and because it will be important for VCE to have locked in its PCC-2 procurement prior to January 1, 2019, staff proposes that the Board provide direction to resume 2019 PCC-2 procurement.

Staff requests CAC support for the staff recommendation to resume 2019 PCC-2 procurement.

Attachment

1. VCE Carbon Intensity Calculations - 2019

Attachment 1

**Table 1. VCEA 2019 Carbon Intensity Calculation Comparisons
No PCC-2 CO2 Emissions**

	Content		Retail Load, MWhs		CO2 Emissions Intensity Per Product		CO2 Emissions Per Product		CO2 Emissions Intensity/ Contribution to Total	
Renewable	42%		299,543		0 lb/MWh		0 MT		0 lb/MWh	
PCC-1 ¹		23.25%		165,818		0 lb/MWh		0 MT		0 lb/MWh
PCC-2 ²		18.75%		133,724		0 lb/MWh		0 MT		0 lb/MWh
Large Hydro ³	33%		235,355		0 lb/MWh		0 MT		0 lb/MWh	
Unspecified Market Power ⁴	25%		178,299		962 lb/MWh		77,838 MT		241 lb/MWh	
Total	100%		713,197				77,838 MT		241 lb/MWh	
Assumptions:										

1 Assumes PCC-1 renewable power has no associated net carbon emissions.

2 Assumes PCC-2 renewable power has no associated net carbon emissions.

3 Assumes Large Hydro has no associated net carbon emissions.

4 California Air Resource Board's calculation for emissions from Unspecified Sources of Power has an emission factor of 0.428 MT CO2/MWh, in addition to a transmission loss adjustment of 1.02. Converted to lbs/MWh, that equates to 962 lb/MWh. Source: Regulation for the Mandatory Reporting of Greenhouse Gas Emissions, Title 17, California Code of Regulations.

Table 2. VCEA 2019 Carbon Intensity Calculation Comparisons - PCC-2 CO2 Emissions Based On Unspecified Imports

	Content		Retail Load, MWhs		CO2 Emissions Intensity Per Product		CO2 Emissions Per Product		CO2 Emissions Intensity/ Contribution to Total	
Renewable	42%		299,543		430 lb/MWh		58,379 MT		180 lb/MWh	
PCC-1 ¹		23.25%		165,818		0 lb/MWh		0 MT		0 lb/MWh
PCC-2 ²		18.75%		133,724		962 lb/MWh		58,379 MT		180 lb/MWh
Large Hydro ³	52%		370,862		0 lb/MWh		0 MT		0 lb/MWh	
Unspecified Market Power ⁴	6%		42,792		962 lb/MWh		18,681 MT		58 lb/MWh	
Total	100%		713,197				77,060 MT		238 lb/MWh	
Assumptions:										

1 Assumes PCC-1 renewable power has no associated net carbon emissions.

2 Assumes PCC-2 renewable power has net carbon emissions associated with unspecified imports (See note 4).

3 Assumes Large Hydro has no associated net carbon emissions.

4 California Air Resource Board's calculation for emissions from Unspecified Sources of Power has an emission factor of 0.428 MT CO2/MWh, in addition to a transmission loss adjustment of 1.02. Converted to lbs/MWh, that equates to 962 lb/MWh. Source: Regulation for the Mandatory Reporting of Greenhouse Gas Emissions, Title 17, California Code of Regulations.

**VALLEY CLEAN ENERGY ALLIANCE
COMMUNITY ADVISORY COMMITTEE**

Staff Report – Agenda Item 9

TO: VCE Community Advisory Committee

FROM: Mitch Sears, Interim General Manager
Alisa Lembke, Board Clerk/Administrative Analyst

SUBJECT: Review and Discuss Updated CAC Charge, Year Two Activities and Topics, CAC Work Plan Priorities, and possible 2019 Task Groups and Advisory Process Improvements

DATE: December 3, 2018

At the Board's November 15, 2018 meeting, they received the CAC's First Year Progress Report, which included Year Two (Operation Phase) suggested activities and topics and approved the updated and revised CAC Charge. Attached are the First Year Progress Report (excluding its attachments) and approved CAC Charge.

The purpose of this report is to assist in the Committee's discussion of goals and objectives for the upcoming calendar year, including the need to possibly create new Task Groups and/or improve the effectiveness of the CAC. The following additional items are provided:

1. VCEA Integrated Resource Plan – Listing of Possible Local Resource Related Action Plan Activities
2. 2019 VCE Calendar

Attachments:

- First Year Progress Report (excluding its attachments)
- Updated CAC Charge
- VCEA Integrated Resource Plan – Listing of Possible Local Resource Related Action Plan Activities
- 2019 VCE Calendar

Valley Clean Energy Alliance
Community Advisory Committee
Updated Charge

Consistent with the policy adopted by the Valley Clean Energy Alliance (VCEA) Board of Directors, the VCEA Community Advisory Committee (CAC) adopts the Charge to:

- Advise the VCEA Board of Directors on VCEA’s general policy and operational objectives, including portfolio mix and objectives, technical, market, program and policy areas, strategic objectives and strategies to reduce carbon emissions, accelerate development of local resources and promote energy resilience.
- Assist in the development of public information materials related to customer energy investments and choices offered by VCEA, PG&E and third parties.
- Collaborate with VCEA staff and consultants on community outreach to and liaison with member communities;
- Collaborate with VCEA staff on monitoring legislative and regulatory activities related to Community Choice Energy issues.

In order to achieve the goals and mission of VCEA, the CAC will develop, periodically review and update a workplan for the short and longer terms. The Committee will monitor organizational performance toward fulfillment of the VCEA Board of Director’s Vision Statement and may recommend policy changes to further the VCEA vision. The CAC will also engage with VCEA, Staff and consultants through its task groups, and evaluate, and make recommendations on select items at the request of the Board or Interim General Manager’s request or in consultation with the Interim General Manager.

The Community Advisory Committee will periodically review this charge and make recommendations for changes to the Board of Directors in order to reflect new issues, opportunities and challenges impacting the VCEA.

Adopted: November 15, 2018

**Valley Clean Energy Alliance
Community Advisory Committee
Progress Report: First Year, Launch Phase
September 2017 – August 2018**

Introduction

The Community Advisory Committee (CAC) of the Valley Clean Energy Alliance (VCEA) held its first meeting on August 22, 2017. This report summarizes the main activities and issues addressed during its first year. Further, the report makes suggestions for the Board of Directors to consider regarding topics the CAC thinks appropriate to address in the coming year.

During the first year (September 2017-August 2018), the CAC Members were:

Davis: Gerry Braun (Chair), Yvonne Hunter, Lorenzo Kristov
Woodland: Mark Aulman, Tom Flynn, Christine Shewmaker (Vice Chair)
Yolo County: Marsha Baird (Secretary), Amanda Beck (September-December 2017), David Springer

Board Charge to the CAC

- Advise the VCEA Board of Directors on VCEA’s general policy and operational objectives, including portfolio mix and objectives, as well as technical, market, program and policy areas;
- Collaborate with VCEA staff and consultants with community outreach to and liaison with member communities;
- Provide a public forum to inform, advise and consult through community discussions on energy related issues and a wide variety of strategies to reduce carbon emissions; and
- Collaborate with VCEA staff with monitoring legislative and regulatory activities related to Community Choice Energy issues.

Year One (Launch Phase) - Main Activities and Issues Addressed

1. Provided input and recommendations to the Board on critical issues facing VCEA during the launch phase, including:
 - a. Power mix targets and rates;
 - b. Greenhouse gas (GHG) emissions, carbon footprint, renewable content of the portfolio;
 - c. Definition of supply categories, e.g. local supply;
 - d. Procurement policies and options;
 - e. Integrated Resource Plan;
 - f. Net Energy Metering (NEM) enrollment and net generation valuation policy (initial and revised);
 - g. Staffing plan;
 - h. Reserve Policy, Customer and Data Policies, Enterprise Risk Policy, and
 - i. Marketing and Communications Plan.
2. Developed a near and long-term Vision Statement for VCE which was adopted by the Board.
3. Created three task groups to consider relevant launch phase topics in detail and make recommendations to the full CAC. These were: Outreach/Marketing, Legislative/Regulatory and Energy. Summary reports from each task group are provided in the Appendix.
4. Supported Staff efforts in the area of public communication and outreach by staffing booths, giving presentations, facilitating public forums, and reviewing website and outbound communications.
5. Provided recommendations to the Board on positions on legislation in the 2018 legislative year.
6. Developed and implemented a process to inform the Board of the Committee’s recommendations through a written summary included in each Board packet.

**Valley Clean Energy Alliance
Community Advisory Committee
Progress Report: First Year, Launch Phase
September 2017 – August 2018**

Year Two (Operational Phase) - Suggested Activities and Topics (not in order of priority)

1. Continue to provide advice to Board and support to Staff on key issues in the areas of Energy (portfolio mix and procurement), Legislative/Regulatory, and Outreach/Marketing.
2. Review and revise CAC Charge and Workplan to address long term vision elements. Consider having a Strategic Planning Retreat for Board, Staff and CAC.
3. Continue to ensure that CAC votes and recommendation are shared with the Board through summaries in the Board meeting packets. Increase the involvement in planning CAC agendas.
4. Improve process for reviewing legislation and providing recommendations to Staff and Board. Determine appropriate level of engagement with CalCCA and work to implement. Evaluate what is the appropriate role of the CAC related to regulatory issues.
5. Support development of goals and plans for outreach, marketing and communications with customers, including where appropriate, collaborating with the marketing and outreach consulting agency. Consider holding one or more workshops during Year Two to gather community input, provide responses to questions and explain VCEA programs to the broader community.
6. Encourage and inform public discourse regarding the need and urgency to address climate concerns.
7. Topics that CAC expects to have capacity to agendaize and address, subject to Staff agreement and Board direction:
 - a. Staffing to address near and long-term vision elements.
 - b. Advice regarding organizational strengths, weaknesses, opportunities and threats.
 - c. Strategies to address Vision Statement goals.
 - d. Review of business plans, planning information and financial pro formas.
 - e. Expansion of current Integrated Resource Plan to address local resource development targets and programs.
 - f. Adjustments in strategic targets related to GHG emissions, carbon footprint and renewable supply portfolio mix consistent with providing “Cost Competitive Clean Energy”.
 - g. Strategies for increased customer loyalty through locally important options and programs PG&E does not offer.
 - h. More integrative and comprehensive NEM policy that recognizes customer generation as a local resource.
 - i. Robust strategies that account for a range of business environment scenarios and supply cost contingencies.
 - j. The importance of VCEA’s climate action role.

Appendix

1. VCE Vision Statement
2. Task Group Summaries
 - a. Energy
 - b. Legislative/Regulatory
 - c. Outreach/Marketing
3. CAC Recommendations (motions) to the Board

VCEA Integrated Resource Plan

Listing of Possible Local Resource Related Action Plan Activities

Priority	Title	Description
	Five-year Business Plan	<ol style="list-style-type: none"> 1. Five year income statement, cash flow and reserve forecasts, balance sheet. 2. Planned new product offerings and related revenue targets, e.g. EV charging product.
	Green Metrics	<ol style="list-style-type: none"> 1. Review PG&E Green Comms information for member jurisdictions. 2. Summarize strategic implications of key individual jurisdiction trends. 3. First annual report summarizing actual vs. forecasted outcomes
	Local Economic Impacts	<ol style="list-style-type: none"> 1. Review San Jose area CCA economic impact analysis 2. Determine valid methodology for evaluating economic benefits of local clean energy resource deployment in VCEA jurisdictions. 3. Recommend targets for balancing out of service area resources and in-service area resources.
	Solar Plus Storage	<ol style="list-style-type: none"> 1. Identify cost forecasts for on-site, community and utility-scale solar and battery storage. 2. Evaluate and determine best long-term mix of storage coupled and stand-alone storage for on-site, in-service area and outside service area deployment.

VCEA Integrated Resource Plan

Listing of Possible Local Resource Related Action Plan Activities

Priority	Title	Description
	Electrification	<ol style="list-style-type: none"> 1. Evaluate the economic implications of alternative heating end use decarbonization scenarios.
	Electric Vehicles	<ol style="list-style-type: none"> 1. Determine impacts of EV deployment in the VCEA service territory. 2. Evaluate related early related demand response uses. 3. Evaluate future potential load leveling and energy security uses. 4. Evaluate EV charging incentive programs offered by other CCAs, e.g. SCP.
	Community Solar	<ol style="list-style-type: none"> 1. identify inventory of potential sites in the service area, including and esp. brownfield sites. 2. Consider possible pilot program or project for Davis rental and multi-family customers. 3. Evaluate longer term program design options.
	Net Zero	<ol style="list-style-type: none"> 1. Evaluate the impacts of new housing developments under the new state standard for net zero electricity. 2. Determine rate options consistent with equitable cost recovery and expected timing of net supply and net usage.

VCEA Integrated Resource Plan

Listing of Possible Local Resource Related Action Plan Activities

Priority	Title	Description
	Efficiency/Other Customer-facing Programs	<ol style="list-style-type: none"> 1. Review programs offered by PG&E and other CCAs. 2. Identify best fits for VCEA jurisdictions.
	R&D	<ol style="list-style-type: none"> 1. Create initial list of state and Federal programs and pending grant opportunities.
	Local Clean Energy Businesses	<ol style="list-style-type: none"> 1. Create a list of clean energy businesses operating in the service territory for possible use in responding to customer inquiries.
	Integrated Energy Analysis	<ol style="list-style-type: none"> 1. Review (and update?) DavisFREE integrated energy analysis and main report. 2. Determine future analysis needs for other jurisdictions.
	Climate Action	<ol style="list-style-type: none"> 1. Develop an outline for energy sections of VCEA jurisdiction CAAPs 2. Convene meeting to discuss CAAPs with jurisdictions and possibly UC Davis.
	PG&E Coordination	<ol style="list-style-type: none"> 1. Recommend priorities for VCEA and member jurisdiction engagement with PG&E.
	Demand Forecasts	<ol style="list-style-type: none"> 1. Initiate demand forecasting specific to member jurisdictions.
	Environmental Standards	<ol style="list-style-type: none"> 1. Recommend environmental guidelines for projects supplying electricity to VCEA.

VALLEY CLEAN ENERGY
2019 Meeting Dates and Topics – Board and Community Advisory Committee

MEETING DATE		TOPICS	ACTION
December 31, 2018 HOLIDAY CANCELLED	Advisory Committee WOODLAND	•	•
January 10, 2019	Board WOODLAND	•	•
February 4, 2019	Advisory Committee DAVIS	•	•
February 14, 2019	Board DAVIS	•	•
March 4, 2019	Advisory Committee WOODLAND	•	•
March 14, 2019	Board WOODLAND	•	•
April 1, 2019	Advisory Committee DAVIS	•	•
April 11, 2019	Board DAVIS	•	•
April 29, 2019	Advisory Committee WOODLAND	•	•
May 9, 2019	Board WOODLAND	•	•
June 3, 2019	Advisory Committee DAVIS	•	•

June 13, 2019	Board DAVIS	•	•
July 1, 2019	Advisory Committee WOODLAND	•	•
July 11, 2019	Board WOODLAND	•	•
July 29, 2019	Advisory Committee DAVIS	•	•
August 8, 2019	Board DAVIS	•	•
September 2, 2019 HOLIDAY	Advisory Committee WOODLAND	• Need to reschedule	•
September 12, 2019	Board WOODLAND	•	•
September 30, 2019	Advisory Committee DAVIS	•	•
October 10, 2019	Board DAVIS	•	•
November 4, 2019	Advisory Committee WOODLAND	• Need to find different location to meet	•
November 14, 2019	Board WOODLAND	•	•
December 2, 2019	Advisory Committee DAVIS	•	•
December 12, 2019	Board DAVIS	•	•