

**VALLEY CLEAN ENERGY
COMMUNITY ADVISORY COMMITTEE**

Staff Report – Item 6

TO: Community Advisory Committee

FROM: Mitch Sears, Chief Executive Officer
Edward Burnham, Director of Finance & Internal Operations

SUBJECT: VCE Strategic Plan Update & Task Group Formation

DATE: February 27, 2025

RECOMMENDATION

Staff is recommending the CAC form a Strategic Plan Task Group to provide feedback related to 2025 VCE strategic plan major update.

OVERVIEW

At the October 13, 2022, Board Meeting, Staff provided a 2021-2023 Strategic plan update and introduced a rolling strategic plan concept. At the July 13, 2023, Board Meeting, the Board adopted the Strategic Plan Guidelines for a balanced, comprehensive approach to align the strategic plan with VCE’s multi-year time horizon and to achieve the benefits of timely updates associated with the “rolling” approach. At the September 14, 2023, Board Meeting, the Board approved the 2021-2023 strategic plan minor update and extension of the plan through the end of 2025.

The Board staff reports can be found here:

[Item 12](#) - VCE Three-Year Strategic Plan Guidelines (valleycleanenergy.org)

[Item 17](#) - VCE Strategic Plan Minor Update and Extension (valleycleanenergy.org)

The purpose of this report is to begin VCE’s Strategic Plan Major Update and request the formation of a Strategic Plan Task Group.

BACKGROUND

The purpose of the Strategic Plan (Plan) is to focus VCE on achieving better energy outcomes for its customers and communities by guiding the organization’s actions. The Strategic Plan is aligned with VCE’s mission and vision and guides the organization’s efforts over a multi-year time horizon. The Plan is the basis for developing annual organization goals, staff work plans, annual budgets, key decisions, and priorities. The Plan also informs the development of VCE’s compliance documents, including the Integrated Resource Plan (IRP), a document that sets out a 10-year roadmap for energy procurement that is typically updated on a 2-year basis.

The current Plan categories and key goals include:

FINANCIAL STRENGTH	• Goal: Maintain and grow a strong financial foundation and manage costs to achieve long-term organizational health.
PROCUREMENT AND POWER SUPPLY	• Goal: 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.
CUSTOMERS AND COMMUNITY	• Goal: Prioritize VCE’s community benefits and increase customer satisfaction and retention.
DECARBONIZATION AND GRID INNOVATION	• Goal: Promote and deploy local decarbonization and grid innovation programs to improve grid stability, reliability, community energy resilience, and safety.
STATEWIDE ISSUES: REGULATORY AND LEGISLATIVE AFFAIRS	• Goal: Strongly advocate for public policies that support VCE’s Vision/Mission.
ORGANIZATION, WORKPLACE, AND TECHNOLOGY	• Goal: Analyze and implement an optimal long-term organizational, management, and information technology structure at VCE.

The Strategic Plan incorporates the following schedule for status reporting:

- Quarterly Report to VCE Management
Staff will report quarterly to the Executive Officer on the status of goals, objectives and metrics for which they are responsible.
- Annual Report to Board and CAC
Staff will report annually to the Board and CAC on the status of goals, objectives and metrics, and will recommend any mitigations or amendments as may be necessary for Board approval.

Staff has provided progress updates to the Executive Officer, Community Advisory Committee (CAC), and Board as described above. Generally, Staff observes that progress has been made in each goal area and that the Plan serves to align organizational activities with policy priorities.

Key Objectives of Strategic Plan Major Updates

The purpose of a Major Plan update is to conduct a more detailed review/update of the Plan, including a review of VCE’s Vision/Mission and existing goals and objectives. Major Plan updates are comprehensive reviews incorporating workshops at various levels of the organization, including community stakeholder engagement. The baseline activities incorporate those enumerated in the Minor Update that incorporates plan adjustments associated with changing legislative, regulatory, customer, economic, etc. requirements, as well as notation of plan milestones achieved.

Key activities in a Major Update include:

- Identify changes in the overall CCA environment (economics, policy, technology, etc.) and describe their relevance for VCE
- Review key organizational fundamentals (Mission, Vision, and Strategic Plan Goals)
- Long-term adjustments based on strategic and customer requirement

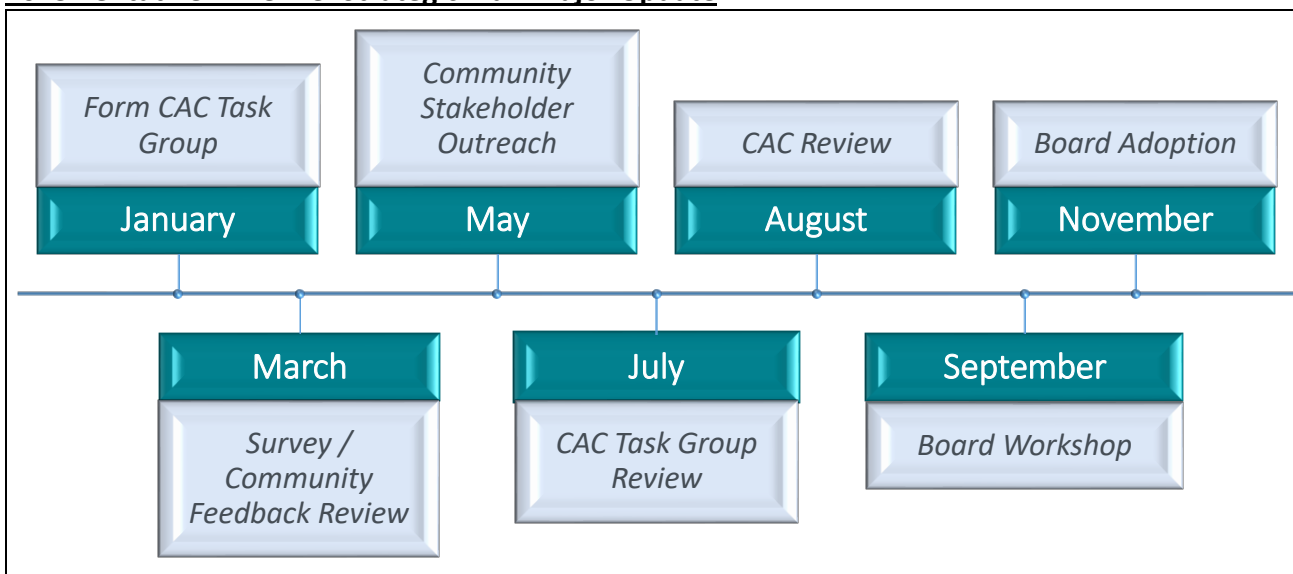
Proposed Plan Development Process and Timeline

Generally, Staff is organizing the Major Plan update into four components that will occur over the course of 2025. These include:

- Q1 – Review of existing Plan and development of Initial Draft Plan Update
- Q2 – Gather community and stakeholder feedback on Draft Plan Update
- Q3 – Develop Draft Plan Update; present Draft Plan Update to Board
- Q4 – Develop final Draft Plan Update; present to Board for adoption

The below timeline of key milestones is based on the Board’s adopted Strategic Plan Guidelines. Staff will develop a detailed project calendar based on additional feedback from the Board, CAC, and CAC task group. A proposed 2026-2029 Major Update would be tentatively scheduled for the November 2025 Board meeting; allowing any changes associated with the Plan Update to be incorporated into the 2026-2029 planning and budgeting process.

2025 Tentative Timeline: Strategic Plan Major Update



CONCLUSION

The proposed Major Plan Update process is consistent with the Board’s adopted Strategic Plan Guidelines. Staff is recommending the CAC form a Strategic Plan Task Group to provide feedback related to the development of a Major Plan Update as described in this report.