

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

TO: Board of Directors

FROM: Alisa Lembke, Board Clerk / Administrative Analyst

SUBJECT: Summary of Community Advisory Committee November 16, 2023 Meeting

DATE: December 14, 2023

This report summarizes the Community Advisory Committee's meeting held in person and via Zoom webinar on Thursday, November 16, 2023.

- A. Received 2024 Budget update/preview.** VCE Director of Finance and Internal Operations Edward Burnham provided an overview of the draft 2024 operating budget, covering retail load, forecast of costs and key factors, cash reserves, and CPUC ERRRA rate adoption. CAC and Staff discussed rates, credit rating, electricity usage, load impact, modeling, and Resource Adequacy (RA).
- B. Received Legislative End of Session update.** Mark Fenstermaker of Pacific Policy Group, VCE's lobbyist consultant, provided a legislative update, including: upcoming changes in leadership, Budget, and bonds; reviewed Assembly Bill 1373 Central Procurement Entity and its impacts and the State's budget outlook for 2024-2025; and, several items that will be monitored, such as Climate Bond, Clean Energy Reliability Investment Program Funding, Hydrogen Policy, and regional grid (West-Wide Governance Pathways Initiative).
- C. Review draft CAC Programs and Outreach Task Group Year-end Report.** CAC Member and Task Group Chair Dr. Keith Taylor reviewed highlights of the Programs and Outreach task group year-end report. The CAC briefly discussed accomplishments, lessons learned, challenges and opportunities. Several of the CAC Members will be getting together with staff to discuss ways to improve the effectiveness of the task group moving forward into 2024. The CAC made a motion to finalize the year-end report and send to the Board for their information at their December 2023 meeting. (7-0-0)
- D. Copy of CAC's Task Group 2023 Year End Reports.** Attached are the following 2023 year end Task Group reports for your information:
- **Legislative/Regulatory**
 - **Strategic Plan**
 - **Programs & Outreach**

Attachments:

1. Legislative/Regulatory Task Group 2023 Year End Report
2. Strategic Plan Task Group 2023 Year End Report
3. Programs & Outreach Task Group 2023 Year End Report

LEGISLATIVE/REGULATORY TASK GROUP 2023 YEAR END REPORT

Task Group Members: Lorenzo Kristov, Jennifer Rindahl, Carl Linvill (as of September 2023)

Primary Staff Contact: Mitch Sears, Yvonne Hunter

2023 Charge:

For the 2023 Legislative Session, work with VCE staff and VCE's lobbyist to:

- Provide feedback, technical information and strategic advice to VCE staff on key legislative and regulatory issues facing VCE and the CCA community in general in 2023, including legislation and regulatory issues related to VCE's Legislative Platform, Strategic Plan and Environmental Justice Statement.
- Provide periodic reports to the CAC about legislation and regulatory issues.
- Solicit recommendations from the CAC on VCE positions on key legislation and regulatory proceedings.
- Work with staff to consider options to enhance the Task Group's and CAC's understanding of regulatory proceedings.
- Contribute to VCE's engagement with legislators and other stakeholders.
- Discuss strategies to engage regulatory agencies and stakeholders to advance dynamic pricing programs, such as AgFIT, and other grid services opportunities, for VCE and other CCAs.
- Receive periodic updates and discuss CalCCA legislative priorities, emphasizing how VCE can most effectively contribute.
- Advise VCE staff on CalCCA's regulatory and legislative work, when appropriate.
- Work with staff to periodically review and update VCE's Legislative Platform for consideration by the CAC and VCE Board.

Highlights of Accomplishments in 2023

During 2023, the Leg/Reg Task Group met bi-weekly with staff and VCE's lobbyist and worked closely with them to:

1. Review pending legislation, provide feedback, technical and policy information, and strategic guidance on legislative and regulatory issues; discuss and recommend VCE positions and legislative strategies for pending legislation and regulatory issues. Special attention was devoted to discussing how VCE could best engage with CalCCA and other CCAs to address issues related to AB 1373 that were problematical to CCAs.
2. Provide input on selected regulatory proceedings of interest to VCE. These included the CPUC's dynamic pricing proceeding as well as the Resource Adequacy proceeding.
3. Discuss other regulatory proceedings of interest, including those at the CPUC related to micro-grids, virtual net metering for multi-family housing, and incorporation of fixed

charges in distribution rates, as well as proceedings at the CEC on SB-100 compliance and Community Energy Resilience Investment.

4. Discuss VCE's AgFIT program and its potential impacts on regulatory and legislative issues as well as how best to brief VCE's legislative representatives and area stakeholders about AgFIT.
5. Work with CalCCA on how best to incorporate AgFIT concepts into potential legislation or budget proposals.
6. Provide periodic updates to the CAC on key legislative and regulatory issues.
7. Receive and discuss periodic updates about CalCCA legislative activities, including critical opportunities for VCE to engage and lobby its legislators.
8. Discuss proposals to create a western regional transmission organization (RTO).
9. Prepare a draft 2024 Legislative Platform for CAC review and Board action.

Challenges

1. Identifying those legislative and regulatory topics where VCE has a significant interest and can make a difference given VCE's limited resources. This is particularly challenging with regard to CPUC proceedings because there are so many that affect retail electricity customers, they continue to proliferate, and there is no VCE staff person assigned to track regulatory activities.
2. Continuing to examine how best to work with CalCCA and other individual CCAs to expand dynamic pricing programs through the CPUC, CEC or other agencies.

Opportunities

1. Play a role in educating VCE staff, the CAC, VCE board and CalCCA about policy and regulatory developments to advance opportunities and benefits for deploying distributed energy resources (DER).
2. Play a role in educating VCE staff, the CAC, VCE board and CalCCA about the ongoing efforts to create a western regional transmission organization.
3. Continue to expand legislative opportunities in which VCE may become more engaged with CalCCA.

**VALLEY CLEAN ENERGY
COMMUNITY ADVISORY COMMITTEE**

**STRATEGIC PLAN TASK GROUP (SPTG)
2023 YEAR END REPORT**

Task Group Members: Rahul Athalye, Marsha Baird, Lorenzo Kristov

Primary Staff Contact: Edward Burnham

2023 Charge:

The CAC Strategic Plan Task Group will assist VCE Staff with the planning and development of a rolling strategic plan and updates to current objectives through 2026. The current 3-year Strategic Plan covers 2021-23 and was approved by the Board on October 8, 2020.

Specifically, the Task Group will:

- (1) review existing organizational strategic documents – vision statement, mission statement, SWOT analysis, and strategic plan;
- (2) work with Staff to develop 2024-26 Strategic Plan objectives;
- (3) provide input and feedback to Staff on a working draft 2024-26 Strategic Plan to present to the CAC and Board;
- (4) collaborate with Staff develop guidelines for structure and best practices of rolling strategic plan for future years; and,
- (5) provide summaries and updates at monthly CAC meetings on Task Group activities.

Highlights of Accomplishments:

- Assisted Staff with the development of guidelines and a process for current and future updates to the VCE Strategic Plan. Discussed pros and cons of rolling annual updates vs. fixed periods, and concluded that fixed 4-year strategic plan periods would be preferable. With Staff, developed a timeline with minor and major updates to the Strategic Plan that complement and alternate with the IRP work every other year.
- Under the new guidelines, a review of organization strategic documents (vision statement, mission statement, SWOT analysis) will occur in 2025 with the next major update to the Strategic Plan for the 2026-29 period.
- The Strategic Plan guidelines and update process was presented at CAC and Board meetings for input and approval. It was endorsed by the CAC at the June 22nd CAC meeting and adopted by the Board at the July 13th Board meeting.

- Staff reviewed the current 2021-2023 Strategic Plan and prepared minor updates needed to extend the Plan out thru 2025. The SPTG discussed the proposed updates and provided feedback to Staff.
- The Strategic Plan extension through 2025 was presented at CAC and Board meetings for input and approval. It was endorsed by the CAC at the August 24th CAC meeting and adopted by the Board at the September 14th Board meeting.
- The SPTG will not be needed in 2024 but it will in 2025, and every 4 years thereafter.

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**PROGRAMS AND OUTREACH TASK GROUP (POTG)
2023 YEAR END REPORT**

Task Group Members: Keith Taylor (Chair), Rahul Athalye, Mark Aulman, David Springer

Primary Staff Contact: Rebecca Boyles

2023 Charge:

The CAC Programs Task Group will collaborate with VCEA staff and consultants on policies, procedures and programs aimed at improving the customer experience and customer satisfaction in VCE, including:

1. Assist in the development of public information strategies, planning, and materials related to VCEA customer marketing, outreach, policies and programs. As requested by staff, review draft materials and provide comments as appropriate; assist with customer-facing community outreach to, and liaison with, member communities.
2. Help define audience segments within VCE's service area and consult on appropriate messages and communications approaches; provide a sounding board to assist in message development and copy testing. Conduct review of marketing materials at the draft (pre-release) stage upon request from staff.
3. Assist with identification of statewide program opportunities and development of strategies for disseminating information on eligibility, rebate amounts, stacked incentives, and other details; assist Staff with finding and applying for external funding for potential programs.
4. Collaborate with Staff on an annual update to the 3-year Programs Plan, discuss 2023 program implementation with Staff; assist with the update of 2022 program design/implementation forms and program prioritization for implementation in 2023.
5. As requested by the Director of Customer Care and Marketing, provide outreach and messaging support for the efforts of other CAC task groups, as well as outreach to VCE's participating jurisdictions to encourage collaborative dissemination regarding programs, energy savings tips, rebates/incentives etc. on their websites and social media platforms.
6. Provide summaries and updates at monthly CAC meetings on Task Group activities.

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Highlights of Accomplishments:

- Merged the Programs Task Group and Outreach Task Group together to finalize the amended charge for 2023.
- Recommended a \$20,000 budget increase to Phase 1 of the EV rebate program, launched in September 2022. As of today, 39 rebates totaling nearly \$120,000 have been issued, 10 of which went to low-income residents.
- Assisted in the development of Phase 2 of the EV rebate pilot program which will provide low-income residents with rebates of \$1500 to \$3000 depending on vehicle type. Additionally, it will provide rebates up to \$500 for home EV charging equipment and \$500 for panel upgrades, as well as multifamily housing charging infrastructure incentives of \$3000 per charger and up to \$21,000 per property. Twenty-five percent of the EV rebate funds will be prioritized for income-qualified applicants. Phase 2 is pending VCE Board approval. Additional Phase 2 program elements could include:
 - Incentives vehicle-to-grid integration
 - Incentives for non-residential vehicle chargingVCE's EV rebate program has relied on the California Clean Vehicle Project (CVRP) for qualifying applicants. Unfortunately, the CVRP funds were exhausted in September 2023, and the 2024 program will be limited to low-income applicants only. VCE customers have been able to join a wait list while adjustments to VCE's qualification process are under development.
- Participated in calls with program providers that administer incentives for the installation of heat pumps and heat pump water heaters. With the launch of the California Energy Smart Homes program, the TECH program, and forthcoming offerings under the Inflation Reduction Act, POTG members will continue to help develop materials that will allow customers to navigate and benefit from these programs.
- Provided industry expertise to ERRO or the Electrification Retrofit Rebate Outreach Program, in the development of an educational outreach program on electrification and energy efficiency. POTG members continue to brainstorm with staff on how to best support low-income households in the adoption of electrification, as well as steps VCE can take to include renters.
- Provided input on the design and marketing of programs developed through 3rd party partnerships, which include:
 - **AgFIT or Agriculture Flexible Irrigation Technology** -Launched in July 2022; supplying hourly dynamic prices and automation incentives to Yolo County irrigators. Deliberation of an AgFIT pilot expansion is underway at the California Public Utility Commission. The pilot program continues to be successful and will supply much

needed data dynamic rates schedules, shaping the future of load management in California.

- **OhmConnect** - In the second year of the program. Continues to see steady enrollment and customer participation during events.
 - **SACOG or Sacramento Area Council of Governments Grant** – Provided funds for local municipalities to install for EV charging infrastructure. The City of Winters has completed all their installations and are open to the public now. The County of Yolo has recently finished their first EV charger installation at the county library.
 - **Vehicle to Grid Program with SMUD or Sacramento Municipal Utility District** – Applied for funding and are awaiting reply.
 - **REDWDS or Responsive, Easy Charging Products with Dynamic Signals** - Received initial approval for funding from the California Energy Commission. Implementation of this program is expected to begin in 2024.
- Developed and targeted alongside staff future program goals, including agriculture equipment electrification, Self-Generation Incentive Program partnerships or opportunities, energy efficiency and electrification rebates, and workforce development. Due a wide array of opportunities and limitations on staff time, POTG efforts are invaluable. Members may move forward to support staff on specific items, that best suit their interests and industry expertise.

Lessons Learned – Challenges and Opportunities:

Challenges:

- Limited staff time to develop, market, and manage programs, especially as programs continue to grow in complexity and scope.
- Partnerships have proven to be time-consuming but productive.

Opportunities:

- Continue to learn from experiences of other CCAs on programs that have worked well for their customers.
- Potential to add staff and/or hire consultants to help with program implementation.
- Engage with Staff on availability of funding as reserves build.
- Support Staff with specific needs as time permits, such as ideas for and review of website updates, strategies to maximize customer access to incentives, and identification of future program and outreach needs.
- Collaborate with Yolo, Woodland, Davis, and Winters Climate Action Commissions and Cool Davis.
- Potential to collaborate with other public utilities.