

## 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 (CAC) April 24, 2025 Meeting and May 22, 2025 Meeting / Strategic Plan Workshop

DATE: June 12, 2025

This report summarizes the Community Advisory Committee’s meeting held in person and via Zoom webinar on Thursday, April 24, 2025 and May 22, 2025 Meeting and Strategic Plan Workshop.

#### **Thursday, April 24, 2025:**

- A. **Strategic Plan update – discussion and timeline roadmap:** Staff provided an overview of the process of updating the Strategic Plan. Staff and the Strategic Plan Task Group have provided administrative updates and developed a preliminary draft plan to make substantive edits to VCE’s goals and objectives. Staff reviewed the major update timeline, which includes public workshops, surveys and CAC and Board meeting schedules, and next steps. Staff informed those present that the CAC’s next meeting is scheduled for Thursday, May 22, 2025; thereafter, a VCE Strategic Plan Workshop will be held in Esparto.
  
- B. **2024 Net Margin Discussion and receive feedback from CAC:** Staff reviewed the background of the 2024 Net Margin and presented several 2024 Net Margin allocation scenarios. Staff discussed how the net margin is determined and distributed; rate setting; affordability and rate competitiveness; the effects of discounted rates and programs on Customer opt-out rate; the effects of Net Energy Meter (NEM) Customers who over generate on the net margin; and, the factors used and differences between the allocation scenarios.
  
- C. **Senate Bill 540 – Received additional information, discuss and seek recommendation from the CAC:** Staff provided an overview of this item, and reminded those present that VCE can take a position on Senate Bill (SB) 540 of support, oppose or no position. Staff provided a brief summary of regional and western markets; the history of wholesale electricity markets that have led to SB 540; what SB 540 does and does not do; and, reviewed answers to key questions raised at the CAC’s March 27, 2025 meeting. Carl Linvill, Bill Julian and Christine Shewmaker provided public comment. The CAC made a recommendation to the Board that VCE oppose Senate Bill 540 (7-1-0).

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**Thursday, May 22, 2025 Meeting and Strategic Plan Workshop (held in Esparto):**

- A. **Regular meeting:** The CAC held their regular meeting where they were provided with updates from the Task Groups and Staff and approved a few Consent items. They convened their regular meeting and reconvened into the Strategic Plan Update Workshop.
- B. **Strategic Plan (SP) Workshop:** Staff provided an overview of Community Choice Aggregations (CCA's), VCE, and VCE's Strategic Plan (SP) . Staff reviewed, discussed and received feedback on SP's Goals 1 (Financial Strength) and 2 (Procurement and Power Supply). Staff announced that the next SP Workshop will be held following the CAC's June 26, 2025 meeting (location to be determined) and will focus on Goals 3 and 4 of the Strategic Plan.