

# VALLEY CLEAN ENERGY ALLIANCE

## Staff Report – Item 8

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**TO:** Community Advisory Committee

**FROM:** Mitch Sears, Interim General Manager  
George Vaughn, Director of Finance & Internal Operations

**SUBJECT:** Review of CAC & Board Strategic Planning Feedback

**DATE:** August 27, 2020

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### **PURPOSE**

This Staff Report and attachments will be reviewed at the August 27 Community Advisory Committee (CAC) meeting. The purpose is to inform the CAC of the summarized feedback from the Strategic Planning questionnaires and interviews with both the VCE Board and CAC.

### **BACKGROUND**

At the August 13, 2020 Board Meeting, staff presented an update and proposed timeline for Board approval and adoption of the three-year VCE Strategic Plan (Plan). This included the following key dates:

- Late August: Completion of draft Plan
- September 10: Board to review and provide direction on draft Plan
- September 24: CAC to recommend draft Plan
- October 8: Board consideration for adoption of draft Plan

Staff will work with the CAC Strategic Plan Task Group and overall CAC over the coming weeks to gain feedback, review the draft Plan, and provide guidance and direction on the Plan.

### **ANALYSIS**

VCE retained LEAN Energy to assist in the planning process, including summarizing and aggregating the responses from the CAC and Board to the Strategic Planning questionnaires, as well as conducting Board interviews as necessary. Feedback was gleaned from a majority of CAC and Board members.

LEAN Energy provided the attached Key Findings memo as well as the attached data summaries of both CAC and Board recommendations. These findings have already been utilized in editing the draft Plan and will be reviewed at the August 27 CAC meeting.

### **CONCLUSION**

Utilizing the provided data, staff seeks to gain feedback and additional insights from the CAC to help drive the Plan forward towards our October deliverable.

**ATTACHMENTS**

1. VCE Strategic Plan Findings Memo
2. VCE CAC Questionnaire Results
3. VCE Board Questionnaire Results
4. VCE Board Worksheet



*Harnessing the Power of Communities*

**TO:** Mitch Sears, General Manager, VCEA  
George Vaughn, Director of Finance and Internal Operations

**FROM:** Shawn Marshall, Executive Director, LEAN Energy US

**DATE:** August 19, 2020

**RE:** VCEA Strategic Plan – Key Findings and Summary of Leadership Feedback

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Pursuant to our work with the VCEA team on its 2021-2024 Strategic Planning process, this memo will provide a summary of the main themes and findings from the Board of Director (Board) and Community Advisory Committee (CAC) feedback that was received via questionnaire and phone interviews over the past few months. VCEA received feedback from five Board members representing each member agency and from nine CAC members. A copy of the questionnaire is attached for reference as are the aggregated results presented in spreadsheet format for each group. Board and CAC members are encouraged to review the responses in the spreadsheets because they contain many specific ideas and details not captured in this summary memo.

### **KEY THEMES AND GENERAL FINDINGS**

**Board and CAC Alignment.** Overall, we found a significant level of content alignment between responding Board and CAC members. This is good news for VCEA, as it indicates a general consensus regarding the key goals, challenges and opportunities faced by VCEA. There is also a high level of value placed on the CAC and a general sentiment from the Board that VCEA staff should continue to make good use of the CAC for feedback and vetting which will allow for the Board to spend their time focused on Agency policy, statewide issues, and Board-level decision making.

**Fiscal and Rate Focus.** Perhaps not surprisingly, the priority among respondents remains squarely on the Agency's fiscal health and the ability to offer competitive rates. All are aware of and want to pursue the agency's aggressive environmental goals through smart, policy-driven procurement and local community energy programs. However, almost to a person, there was an acknowledgement that these goals must be pursued within the context of VCEA's financial capabilities and ability to offer competitive customer rates.

The 'fiscal focus' carried over to a few other areas including Agency expansion and pursuit of resource intensive goals such as becoming a public utility or pursuing a customer owned grid. No one disagreed that these are valuable efforts, but there was little consensus that these should

be given high priority in the next few years. More information on expansion is included in the Board section below.

**Renewable/Carbon Free Targets.** VCEA's stated procurement goal is 85% renewable and 100% GHG-free by 2025. While some members of the CAC would like to see a more aggressive target and effort placed on communities going to 100% renewable as the default option, the majority of respondents feel that the current clean power targets remain appropriate for the foreseeable future. Nearly all respondents support a prohibition on coal and nuclear power sources.

**Public Engagement w/ Focus on Business and Ag.** Customer engagement and retention was another area of shared importance. Many respondents are pleased with the marketing efforts to date, but acknowledge that there is still a long way to go to fully embed VCEA within its member communities. Many stressed the need to better engage VCEA's commercial and agriculture customers, perhaps through more consistent outreach and specialized rates, and to participate as sponsors or volunteer leaders on chamber boards, civic organizations and other influential community organizations. Social media monitoring and proactive responses to correct misinformation is noted as an area for needed improvement.

**Topical Rankings.** In terms of topical rankings, Board and CAC priorities overlap in a few key areas, noted in red below. These priorities correspond with two differences: 1) The Board places a higher priority on statewide issues and the CAC places higher priority on energy and procurement. Both groups rank fiscal health and customer/community in the top three. Respondents were asked to rank order the following 7 topics:

- **Finance and Fiscal Health** (Board #1, CAC #2)
- **Customers and Community** (Board #2, CAC #3)
- **Statewide Issues** (Board #3, CAC #6)
- **Energy and Procurement** (Board #4, CAC #1)
- Organization and Workplace (Both groups rank this 5<sup>th</sup>)
- Decarbonization/Grid Programs (Board #6, CAC #4)
- Information and Systems/Technology (both groups rank this 7<sup>th</sup>)

**Decarbonization Program Rankings.** When queried about decarbonization/grid program priorities, the results are more diffuse with some folks not responding due to a lack of adequate knowledge. It is notable that this topic area, as shown above, did not make the top 3-4 Agency priorities for either group, which is perhaps telling in itself. That said, community energy education, energy efficiency, microgrids/storage and community solar appear high on the radar as soon as financially feasible. Respondents were asked to rank order the following 7 program areas:

- **Community Energy Education/Personal Dashboards** (Board #1, CAC #2)
- **Energy Efficiency** (Board #2, CAC #3)
- **Microgrids/Energy Storage** (Board #3, CAC #5)
- **Community Solar/Local Power Devt** (Board #4, CAC #1)
- EV Incentives/Infrastructure (Board #5, CAC #6)
- Demand Response Programs (Board #6, CAC #4)
- Building Electrification (both groups rank this 7<sup>th</sup>)

**SMUD, Staffing and Shared Services.** Last but not least, SMUD remains a valued partner to VCEA. While there was some variance on the future ratio of VCEA/in-house vs. outsourced staffing, all acknowledge that SMUD has been an important operational partner, especially in the area of power planning and procurement. Both groups acknowledged VCEA’s hardworking staff and are in general support of a continued partnership with SMUD. At the same time, there was clear interest in the potential for shared services with other CCAs as long as it makes financial sense and VCEA autonomy is retained. There is more to consider and analyze in terms of cost/benefits of these operational scenarios going forward.

## **BOARD FEEDBACK**

The following are some additional findings from the Board feedback:

- 1) The Agency’s financial health and fiscal future is number one priority, followed closely by competitive rates which are defined as “equal to or less than PG&E rates.”
- 2) While the Board is satisfied with the current clean power targets and power mix, it is supportive of additional local/regional power opportunities as financials allow for it.
- 3) Expansion does not appear to be a priority at this time, unless there is interest within Yolo County. Some requested more defined criteria for expansion and clearer understanding of economic and mission alignment before engaging potential new members.
- 4) Board agendas and packets are long; consider supplemental packets and further use of the CAC to vet certain issues and keep Board decisions at a higher policy level.
- 5) Consider a study that examines the efficacy and economics of a shift to more in-house VCEA staff in core roles, fewer consultants, continued or reduced use of embedded SMUD staff/services, and the prospects for shared services with other CCAs.
- 6) Concerned about loss of large commercial and ag accounts, which are lucrative customers; consider ways to reengage them, potentially through simplified or special rates. Need to approach commercial customer engagement like the private sector.
- 7) VCEA is not yet well known in the community even though recent marketing efforts have been positive. Future focus on managing/engaging social media and deeper connections in the community through sponsorships and local leadership roles.
- 8) Acknowledged need to remain engaged with Cal-CCA and statewide issues – with focus on issues that have a direct operational and/or fiscal impact.
- 9) Continued pursuit of community-owned grid and/or transition to a public utility are not seen as financially realistic at this time.
- 10) An investment grade credit rating is worth pursuing only if there are tangible financial benefits (e.g. more favorable contract pricing) beyond major capital projects which are not contemplated in the next three years.

## **CAC FEEDBACK**

The following are some additional findings from the CAC feedback:

- 1) CAC respondents acknowledge need for the Agency’s fiscal health but lead with emphasis on higher percentage of renewables and local advanced energy projects/programs. Many detailed ideas were offered and worth discussion.

- 2) CAC is generally more favorable to a transition to VCEA/in-house staff, especially in core leadership roles, marketing and technical expertise in the areas of energy programs, decentralized power, community electrification and energy resilience.
- 3) Strong response to idea of shared/consolidated services as long as VCEA retains autonomy; may support the idea of a study to examine cost/benefits of various staffing and shared service delivery options.
- 4) Responses offer many ideas for community collaboration, local programs and funding sources. This is an area for follow up.
- 5) Mixed reaction to potential for VCEA to be “sole provider” and continuing with the pursuit of becoming a public utility.
- 6) CAC echoes the Board in calling out more customer engagement of large commercial and Ag customers.
- 7) Many CAC members are interested in continuing to encourage West Sacramento to join but do not see expansion outside Yolo County as a priority.
- 8) Climate education and outreach in underserved communities was called out by several respondents.

### **NEXT STEPS**

As discussed on a recent planning call, the feedback and input from this exercise will be used to inform - and in many cases validate - the draft Strategic Plan that staff has been working on for several months. The CAC will discuss the aggregated results and provide any additional feedback at their next meeting on August 27<sup>th</sup>. This will be followed by review and comments on the draft Plan by the CAC’s strategic plan task group. From there, staff anticipates finalizing the draft Plan for full CAC review and “recommendation to adopt” in September. The Plan will be previewed by the Board at its September Board meeting (if ready), and formally adopted at its October or November Board meeting. As noted, VCEA’s Strategic Plan will cover the three-year period 2021-2024 with annual reviews and periodic amendments as may be needed.

**Attachments:** Strategic Plan Questionnaire, Board Questionnaire/Interview Results, CAC Questionnaire Results

**Valley Clean Energy Alliance**  
**2021-2024 Strategic Plan – CAC Questionnaire Results**

Note: Summary of questionnaire responses from 9 CAC members.

CATEGORY	TOPICS/QUESTIONS	RESULTS/KEY THEMES																																																																																
<b>Big Picture</b>	1. Top 2-3 priorities in next 3-5 years?	Grow customer base, keep rates equal to or lower than PG&E, continue to market VCE brand, deliver 100% renewable as only product by 2030 or sooner, promote community electrification, increase wind and solar, stabilize admin functions, generate enough reserves to begin supporting programs, convince West Sacramento to join, collaboration with other utility/infrastructure owners, microgrids, local ownership of energy projects, ag engagement.																																																																																
	2. What needs to happen to get there?	Help from the PUC re: PG&E rates and legislative assistance to help level the playing field (2); More green power projects in Yolo region; Make green power trade-offs to retain price sensitive customers; Aggressive marketing and PR campaign to bring back opt-outs.																																																																																
<b>Topical Ranking</b>	3. Please rank order (see next column)	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 40%;">Organization and Workplace</td> <td style="width: 5%;">3</td> <td style="width: 5%;">5</td> <td style="width: 5%;">6</td> <td style="width: 5%;">5</td> <td style="width: 5%;">3</td> <td style="width: 5%;">5</td> <td style="width: 5%;">6</td> <td style="width: 5%;">3</td> <td style="width: 5%;">(36)</td> </tr> <tr> <td style="color: red;">Customers and Community</td> <td style="color: red;">2</td> <td style="color: red;">7</td> <td style="color: red;">5</td> <td style="color: red;">4</td> <td style="color: red;">1</td> <td style="color: red;">4</td> <td style="color: red;">1</td> <td style="color: red;">4</td> <td style="color: red;">(28)</td> </tr> <tr> <td>Decarbonization/Grid Programs</td> <td>7</td> <td>2</td> <td>3</td> <td>2</td> <td>6</td> <td>2</td> <td>4</td> <td>7</td> <td>(33)</td> </tr> <tr> <td style="color: red;">Finance and Fiscal Health</td> <td style="color: red;">1</td> <td style="color: red;">6</td> <td style="color: red;">4</td> <td style="color: red;">3</td> <td style="color: red;">2</td> <td style="color: red;">3</td> <td style="color: red;">3</td> <td style="color: red;">1</td> <td style="color: red;">(23)</td> </tr> <tr> <td>Statewide Issues</td> <td>6</td> <td>4</td> <td>2</td> <td>5</td> <td>7</td> <td>7</td> <td>5</td> <td>5</td> <td>(41)</td> </tr> <tr> <td style="color: red;">Energy and Procurement</td> <td style="color: red;">5</td> <td style="color: red;">1</td> <td style="color: red;">1</td> <td style="color: red;">1</td> <td style="color: red;">3</td> <td style="color: red;">1</td> <td style="color: red;">2</td> <td style="color: red;">2</td> <td style="color: red;">(16)</td> </tr> <tr> <td>Information and Systems Tech</td> <td>4</td> <td>3</td> <td>7</td> <td>7</td> <td>4</td> <td>6</td> <td>7</td> <td>6</td> <td>(44)</td> </tr> <tr> <td>Other</td> <td></td> <td></td> <td></td> <td></td> <td>5</td> <td>8</td> <td></td> <td></td> <td></td> </tr> </table> <p>Educating community about climate crisis, 5-year vision, set of goals and guiding principles, infrastructure, local climate action plan and implementation</p>	Organization and Workplace	3	5	6	5	3	5	6	3	(36)	Customers and Community	2	7	5	4	1	4	1	4	(28)	Decarbonization/Grid Programs	7	2	3	2	6	2	4	7	(33)	Finance and Fiscal Health	1	6	4	3	2	3	3	1	(23)	Statewide Issues	6	4	2	5	7	7	5	5	(41)	Energy and Procurement	5	1	1	1	3	1	2	2	(16)	Information and Systems Tech	4	3	7	7	4	6	7	6	(44)	Other					5	8			
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Other					5	8																																																																												
<b>Organization and Workplace</b>	4. Is VCEA expansion a key goal?	Yes (4), Expansion important, but not a key goal (3), No (2) Focus first on Yolo County then consider contiguous areas.																																																																																
	5. In-house vs. consultant support? Reduce dependence on SMUD?	In-house yes (5), consultant yes (1), consultant only as needed (2). Reduce dependence on SMUD yes (3), not yet (3). Most agree that core leadership roles should be VCEA staffed.																																																																																
	6. Shared services or functional consolidation with other CCAs?	Yes (7), No (0), Needs to be evaluated (2) Significant support for shared services as long as the business/economic case can be made and VCEA doesn't lose autonomy																																																																																
	7. Do we have the right staffing mix?	Yes (3), No (5), Not sure (1) -- would like to see more energy program and marketing brought in house; key leadership roles should be in-house.																																																																																
<b>Customers/Community</b>	8. What should we do more of/differently for our customers?	Follow-up with opt outs; More outreach on importance of addressing climate change; Offer programs for lower income, elderly, small business; Financing building improvements; Stop thinking NEM customers as a procurement problem; Customer opinion research, focus groups, webinars; Engage in Ag customers more																																																																																

	9. Choose 1 customer-facing goal	Those eligible for bill assistance have the option; Establishing a contact system; Reduce rates (when possible); Make customer's self-generation part of energy mix; Help customers understand the value of VCE at the community (not just individual) level; More outreach and education, particularly for Ag customers																																																																																
	10. Other community/customer priorities?	Target large business or Ag groups with high opt-out rates; Broad contact with everyone; Engage folks at Cool Davis and UCD; Collaboration with member jurisdictions with local services like waste collection; Energy education in schools; PV+Storage microgrids on schools; Research and development for appropriate outreach to Ag customers; Seniors, renters, small business																																																																																
<b>Decarbonization/Grid Programs</b>	11. Please rank order (see next column)	<table border="1"> <tr> <td>EV Incentives/Infrastructure</td> <td>7</td> <td>3</td> <td>6</td> <td>7</td> <td>4</td> <td></td> <td>6</td> <td>4</td> <td>3</td> </tr> <tr> <td>Energy Efficiency</td> <td>1</td> <td>5</td> <td>4</td> <td>2</td> <td>6</td> <td></td> <td>4</td> <td>5</td> <td>1</td> </tr> <tr> <td>Microgrids/Energy Storage</td> <td>5</td> <td>4</td> <td>1</td> <td>3</td> <td>5</td> <td>2</td> <td>3</td> <td>2</td> <td>7</td> </tr> <tr> <td>Demand Response Programs</td> <td>6</td> <td>6</td> <td>5</td> <td>1</td> <td>2</td> <td></td> <td>7</td> <td>4</td> <td></td> </tr> <tr> <td>Community Solar/Local Power Devt</td> <td>2</td> <td>7</td> <td>2</td> <td>5</td> <td>1</td> <td>1</td> <td>1</td> <td>7</td> <td>2</td> </tr> <tr> <td>Building Electrification</td> <td>4</td> <td>2</td> <td>7</td> <td>4</td> <td>7</td> <td></td> <td>5</td> <td>6</td> <td>5</td> </tr> <tr> <td>Community Energy/Personal Dashboards</td> <td>3</td> <td>1b</td> <td>3</td> <td>6</td> <td>3</td> <td></td> <td>2</td> <td>3</td> <td>6</td> </tr> <tr> <td>Other:</td> <td></td> <td>1a</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td>1</td> <td></td> </tr> </table> <p>Other=1a: Community Climate Education – maybe fold into the one above – why I labeled them 1a and 1b – they go hand in hand 1- Ag related -- electrification incentives</p>	EV Incentives/Infrastructure	7	3	6	7	4		6	4	3	Energy Efficiency	1	5	4	2	6		4	5	1	Microgrids/Energy Storage	5	4	1	3	5	2	3	2	7	Demand Response Programs	6	6	5	1	2		7	4		Community Solar/Local Power Devt	2	7	2	5	1	1	1	7	2	Building Electrification	4	2	7	4	7		5	6	5	Community Energy/Personal Dashboards	3	1b	3	6	3		2	3	6	Other:		1a						1	
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	12. Ideas to leverage limited resources for more programs	Seek partnerships with local groups (3); Grants (2); Offer value and potential; Use website to publish case studies, start a blog, hire interns to provide energy audits; Volunteers; UCD expertise; PV+ Storage with funding help by state programs/SGIP; Community Solar																																																																																
<b>Finance/Fiscal Health</b>	13. What do competitive rates mean to you?	Rates no higher than PG&E (4); rates that offer savings via TOU (2); Energy with a higher renewable % that IOU at the same or slightly lower price; Rates that won't be the reason we are not first choice; helping customers achieve better long-term energy costs and resilience results (2); Changing the popular conversation about competitive rates/create mindset and dialog about how to survive a more volatile and dangerous future.																																																																																
	14. Move away from PGE rate structure to cost-based rates?	Yes (3); Not in short term (1); Should be explored (5); Other options should be explored (1)																																																																																
	15. Prioritize investment grade rating?	Yes (3); Not sure how it would help achieve goals (1); Not sure what the benefits would be to build reserves at this point (4)																																																																																
<b>Energy/Procurement</b>	16. Current target of 85% RPS/GHG free by '25?	Yes (1); Not sure in light of current economic disruption (2); No, I want 85% renewable by 2025 and 100% renewable by 2030 or sooner (1); Yes, it's a start (1); I don't agree with VCE's emphasis on GHG free (1); Target should be to increase local renewable supply (1); Move higher as aggressively as market conditions and organizational finances allow (1)																																																																																
	17. Local vs regional vs out of state power	Prioritize local (2); Charge a small premium for local (1); Exclude out of state if possible (2); OK with balancing local and regional (3); Whatever is least cost and lowest carbon/fuel (1)																																																																																
	18. Exclude any power sources?	Nuclear (5); Fossil Fuel (3); Biomass maybe (1); Not for now (3)																																																																																
<b>Statewide Issues</b>	19. Ok to be sole provider status?	Yes (3); No (3)																																																																																
	20. Pursue customer owned grid option?	Yes (2); Watch for and pursue opportunities to establish micro-grids (1); Should not be a priority right now (1); Worthy of further investigation (2)																																																																																

	21. Pursue muni-utility status?	Yes (3); Maybe, consider economic consequences (1); No (4)
	22. How much time for Cal-CCA reg/leg? What matters most in this area?	Yes (5); Not sure (1); Legislation that impacts our goals (2); Legislation and regulation that would erode or pre-empt the responsibilities of CCAs or impose burdens that challenge CCA viability (1)
Extra Credit	23. What most proud of?	Having the starting base rate be 42% renewable – that is everyone is at least 42% RPS; Just being a part of this; That it was successfully launched and has established a reputation that has allowed it to keep opt-outs to a minimum (2). The outreach has been very impressive; I think team work. It's crucial to organizational success. Mitch and staff have consistently done a fine job facilitating team based discussion and action; VCE has aggressively pursued and achieved clean energy and GHG reduction goals and is building positive brand recognition in the communities we serve; I've really like the work the marketing team and Green Ideals has done with the website, advertising, flyers, etc.; That we are up and running, respected and do things in a transparent, open and thoughtful manner. Also, I am pretty proud of the bus and newspaper ads!!
	24. What keeps you up at night?	The thought of purchasing 100+ year old transmission infrastructure from PG&E; The Climate Crisis in General; VCEA stepping back on 42% or deciding to slow progress to more renewables; Learning all the details; Concerns about getting everything done and meeting my business and voluntary commitments, and thinking about where we're going to travel after the pandemic has subsided; Nothing, really, except maybe pondering the lessons the VCE experience is teaching; City making secret deals, highly favorable to developers, with no public engagement or involvement by resident experts, and hiding behind climate emergency or the CAAP to justify the deals. VCE should be concerned about whether a respondent to their RFO who's using city or county property in VCE's territory acquired the use of that property through a legitimate public process. If not, then the taxpayers in the jurisdiction that owns the property are subsidizing that bidder; The financial failure of VCE due to forces beyond our control, including IOU; It's frustrating that the financial uncertainties around PCIA and RA have kept VCE from being able to focus more on programs, community, developing new rates for the community, etc. (2)
	25. Wish you understood better?	Resource Adequacy; PCIA; Limitations; More about the inner workings and issues that VCE staff is dealing with, though I many not really want to know!; To what extent VCE experience mirrors or is typical of all CCAs; The long-term thinking of the CPUC; How to read and understand the nuances of the financials.
	26. Wish we could change about VCEA?	CAC be more representative of the community (3); Nothing yet; Misconceptions about VCE's intentions; More robust governance; Get rid of cumbersome website platform by CirclePoint.
	27. What else?	Member jurisdictions to opt up to 100%; If we are cautious and practical, why hold back?; Can VCE get more done along the lines of our early aspirations by understanding PG&E's programs and taking action to make them work better for its customers?; Where do we want to be in 5 years?; What do our customers need/want and how can we adjust to meet those needs?; Are there other ways to reach out and engage our customers to enhance our effectiveness?

**Valley Clean Energy Alliance**  
**2021-2024 Strategic Plan – Board Member Questionnaire Results**

Note: Summary of responses from 5 VCEA Board members (4 questionnaires, 3 phone interviews). All member agencies are represented.

CATEGORY	TOPICS/QUESTIONS	RESULTS/KEY THEMES																																										
<b>Big Picture</b>	1. Top 2-3 priorities in next 3-5 years?	Competitive rates at or below PG&E (2); Local PPAs as much as possible/secure additional clean power (3); Financial resilience plan/financial stability; “stay in business” (3); Consistent outreach to opt-out customers; Community energy programs and econ devt. activities once financial objectives are met (2); Acquire distribution assets from PG&E; Protect the right of open markets; Integrated Yolo County CCA.																																										
	2. What needs to happen to get there?	Help from the PUC re: PG&E rates and legislative assistance to help level the playing field (2); Get past playing defense all the time; More green power projects in Yolo region; Make green power trade-offs to retain price sensitive customers; Aggressive marketing and PR campaign to bring back opt-outs.																																										
<b>Topical Ranking</b>	3. Please rank order (top 3 indicated in red)	<table border="1"> <tbody> <tr> <td>Organization and Workplace</td> <td>3</td> <td>6</td> <td>5</td> <td>6</td> <td>(20)</td> </tr> <tr> <td>Customers and Community</td> <td>1</td> <td>4</td> <td>3</td> <td>3</td> <td>(11)</td> </tr> <tr> <td>Decarbonization/Grid Programs</td> <td>7</td> <td>5</td> <td>6</td> <td>5</td> <td>(23)</td> </tr> <tr> <td>Finance and Fiscal Health</td> <td>2</td> <td>1</td> <td>1</td> <td>1</td> <td>(5)</td> </tr> <tr> <td>Statewide Issues</td> <td>4</td> <td>3</td> <td>4</td> <td>2</td> <td>(13)</td> </tr> <tr> <td>Energy and Procurement</td> <td>6</td> <td>2</td> <td>2</td> <td>4</td> <td>(14)</td> </tr> <tr> <td>Information and Systems Tech</td> <td>5</td> <td>7</td> <td>7</td> <td>7</td> <td>(26)</td> </tr> </tbody> </table>	Organization and Workplace	3	6	5	6	(20)	Customers and Community	1	4	3	3	(11)	Decarbonization/Grid Programs	7	5	6	5	(23)	Finance and Fiscal Health	2	1	1	1	(5)	Statewide Issues	4	3	4	2	(13)	Energy and Procurement	6	2	2	4	(14)	Information and Systems Tech	5	7	7	7	(26)
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<b>Organization and Workplace</b>	4. Is VCEA expansion a key goal?	Discuss with Board; prefer to keep it to Yolo County (3); expansion should be deliberate and based on certain criteria; interested in further analysis, but growth isn’t high on the list. Need to maintain focus.																																										
	5. In-house vs. consultant support? Reduce dependence on SMUD?	Further direction of in-house staff to build capacity (2); partnership with SMUD has been valuable; don’t change (3); Set economic targets to trigger move away from consultants/SMUD (1).																																										
	6. Shared services or functional consolidation with other CCAs?	Yes, for reg/leg and municipalization issues; support consolidation and shared services if makes economic sense; May not have a choice (referenced MCE). Consider a study that analyzes in-house staff expansion vs. outsourced vs. consolidation of services with other CCAs																																										
	7. Do we have the right staffing mix?	Amazing staff; Leverage private sector to improve marketing and communications; Look for ways to reduce legal consultants. Need to make better use of CAC to vet issues and keep Board at higher level decisions (2).																																										

<b>Customers/Community</b>	<p>8. What should we do more of/differently for our customers?</p> <p>9. Choose 1 customer-facing goal</p> <p>10. Other community/customer priorities?</p>	<p>Some folks still don't know about us; need to focus on customer retention and bringing back profitable customers – need to act like a private sector company with our large business and ag customers (3); how to deal with vicious social media conspiracy theorists?</p> <p>Customer retention especially with commercial accounts (4); maintain rates at or below PG&amp;E; PG&amp;E bills are an awful portal through which to view VCEA – need to improve that.</p> <p>Let the data show us where its important to focus -- who are our most profitable customers and focus there; Social justice implications of green solutions -- focus on communities of color, underserved and those most impacted by climate change; get to as many public events as possible so public knows who we are; Incentives for solar and smaller facilities.</p>																																								
<b>Decarbonization/Grid Programs</b>	<p>11. Please rank order (top 4 in red; pls. note incomplete rankings)</p> <p>12. Ideas to leverage limited resources for more programs</p>	<table border="1" data-bbox="1037 548 1774 833"> <tr> <td>EV Incentives/Infrastructure</td> <td>5</td> <td>1</td> <td>5</td> <td>1 (11)</td> </tr> <tr> <td>Energy Efficiency</td> <td>2</td> <td></td> <td>3</td> <td>3 (8)</td> </tr> <tr> <td>Microgrids/Energy Storage</td> <td>4</td> <td></td> <td>6</td> <td>2 (8)</td> </tr> <tr> <td>Demand Response Programs</td> <td>7</td> <td></td> <td>4</td> <td>(11)</td> </tr> <tr> <td>Community Solar/Local Power Devt</td> <td>3</td> <td></td> <td>2</td> <td>4 (9)</td> </tr> <tr> <td>Building Electrification</td> <td>8</td> <td></td> <td>7</td> <td>(15)</td> </tr> <tr> <td>Community Energy/Personal Dashboards</td> <td>6</td> <td></td> <td>1</td> <td>(7)</td> </tr> <tr> <td>Other: Econ Devt for Clean Tech</td> <td>1</td> <td></td> <td></td> <td></td> </tr> </table> <p>Reduce # of lawyers; Campaign to inform about EV incentives and how green solutions promote social equity; for any option, want to know how it fits into GHG reduction goals and financial biz strategy; go after/prepare for SACOG grants and State grants.</p>	EV Incentives/Infrastructure	5	1	5	1 (11)	Energy Efficiency	2		3	3 (8)	Microgrids/Energy Storage	4		6	2 (8)	Demand Response Programs	7		4	(11)	Community Solar/Local Power Devt	3		2	4 (9)	Building Electrification	8		7	(15)	Community Energy/Personal Dashboards	6		1	(7)	Other: Econ Devt for Clean Tech	1			
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<b>Finance/Fiscal Health</b>	<p>13. What do competitive rates mean to you?</p> <p>14. Move away from PGE rate structure to cost-based rates?</p> <p>15. Prioritize investment grade rating?</p>	<p>At or below any other provider in the area (3); exceeding PGE rates puts us at risk (2); equal to, less than or up to 3% above PG&amp;E rates.</p> <p>Favor unique rates that include non-monetary benefits; Someday hope to stand on our own with rate-setting; move to our own if saves money and keeps costs down – especially important with Ag customers. Need to simplify.</p> <p>Yes, but not at the expense of competitive rates(3); need to consider recession; Need to know more – does it benefit procurement pricing? Absent that, having it for major capital projects is not on the near-term horizon.</p>																																								
<b>Energy/Procurement</b>	<p>16. Current target of 85% RPS/GHG free by '25?</p>	<p>Yes its fine as is (4); yes, if we can get there within financial constraints.</p>																																								

	<p>17. Local vs regional vs out of state power</p> <p>18. Exclude any power sources?</p>	<p>Goal to be as local as possible but mindful of financial constraints and competition with other CCAs (3); go as local as possible without overpaying; interested in local power for econ devt reasons, but no problem with “outside” power if meets price and environmental goals.</p> <p>Coal/Nuclear should be last resort and/or excluded(3); interested in new clean technologies; gold standard is local renewables.</p>
<b>Statewide Issues</b>	<p>19. Ok to be sole provider status?</p> <p>20. Pursue customer owned grid option?</p> <p>21. Pursue muni-utility status?</p> <p>22. How much time for Cal-CCA reg/leg? What matters most in this area?</p>	<p>Yes (3) -- worried about Direct Access; Yes, as long as rates kept down (2).</p> <p>Yes; but the option likely closing for now. Yes, but at what level of resource?</p> <p>Yes, if makes economic sense to control costs (3); Through lobbying or reg changes that make it possible without extraordinary cost/effort; direct takeover/condemnation doesn’t make sense at this time.</p> <p>Any effort that helps us gain more control of costs and rates; PCIA relief. Focus on issues that provide more financial certainty and stability.</p>
<b>Extra Credit</b>	<p>23. What most proud of?</p> <p>24. What keeps you up at night?</p> <p>25. Wish you understood better?</p> <p>26. Wish we could change about VCEA?</p> <p>27. What else?</p>	<p>Efforts to create a fantastic organization focused on customers; Collaboration among jurisdictions; we’ve stayed in business for 2 years.</p> <p>Financial issues and rapid up/down shifts in financial fortunes; ruthlessness of PG&amp;E and problems that are “higher” than VCEA.</p> <p>Acronyms; Partnerships we could create to improve all aspects of our biz; economics of procurement.</p> <p>Would like to have more control over our destiny; shorter Board agendas, less reading and legal speak; more engagement with customers/public.</p> <p>Looking for alignment of all priorities – the purpose of strategic planning.</p>

## Valley Clean Energy 3-5 Year Strategic Plan ♦ Board Worksheet

*This questionnaire is designed as a “thinking tool” to elicit your thoughts and priorities for VCE’s Strategic Planning process. Please take 30-45 minutes to respond to the following questions. This information will be synthesized and presented without attribution.*

### **BIG PICTURE**

1. What are your 2-3 greatest wishes (or priority goals) for VCE in the next three-five years?
2. What do you think needs to happen to achieve your wishes/priority goals?

### **TOPICAL**

3. The following is a list of topical categories for the Strategic Plan. Please rank order them 1-7 in your order of importance and add any other topics you think we’ve missed.

- Organization and Workplace (VCE size, leadership, culture, staff, SMUD partnership)
- Customers and Community (VCE’s local ecosystem)
- Decarbonization and Grid Programs (Innovations and offerings beyond power supply)
- Finance and Fiscal Health (rates, reserves, credit rating, et al)
- Statewide Issues – Regulatory, Legislative, Municipalization (where shall VCE engage and/or lead?)
- Energy and Procurement (Renewable and carbon reduction targets)
- Information and Systems Technology (Data access, systems, reliability, security)
- Other: \_\_\_\_\_

### **Organization/Workplace:**

4. Is VCE community expansion a key goal? If so, how big and within what geographic footprint?
5. What is the appropriate balance of in-house vs. consultant support in the future? Should VCE consider or begin to plan for reducing its operational dependence on SMUD? Why or Why Not?
6. Is it appropriate to consider shared services and/or functional consolidation with other CCA(s)?
7. Do you think we have the right staffing mix? Are there additional skill sets that we should be considering?

### **Customers and Community:**

8. When you think about our local customers, what could VCE be doing more of and/or doing differently?
9. If you could choose 1 customer-focused goal, what would it be?
10. What additional key customer groups, communities and/or community-based activities should VCE prioritize?

### **Decarbonization/Grid Programs:**

11. Aside from VCE’s current roster of programs, what areas of energy innovation interest you most? Please rank order and add any others:
  - EV Incentives/Infrastructure
  - Energy Efficiency
  - Microgrids/Energy Storage

- Demand Response Programs
- Community Solar and Local Power Devt
- Building Electrification
- Community Energy Education/Personal Energy Dashboards
- Other: \_\_\_\_\_

12. What ideas do you have for how VCE can leverage its limited resources to enable additional programs?

**Finance/Fiscal Health:**

13. What do 'competitive rates' mean to you?

14. Should VCE consider moving away from PG&E's rate structure and setting its own cost-based rates?

15. Should VCE prioritize building its reserves in order to achieve an investment-grade credit rating? If yes, by when?

**Energy/Procurement:**

16. Current VCE target is 85% renewable and GHG-free by 2025. Is this -- ok/higher/lower? By when?

17. How shall VCE balance local vs. out of area vs. out-of-state resources? How should we be thinking about this balance in terms of environmental and local goals?

18. Should VCE exclude any power sources or technologies, regardless of their affordability or carbon profile?

**Statewide Issues:**

19. In your opinion, is it ok for VCE/CCAs to become sole provider of electric generation and forego customer choice/competition with the IOU?

20. Should VCE (through Cal-CCA) continue active pursuit of POU/customer-owned grid option?

21. Should VCE continue pursuit of becoming its own municipal utility?

22. In terms of overall capacity and resources, how much time should VCE be spending to support Cal-CCA w/r/t regulatory and legislative engagements? What issues/areas matter most to you?

**EXTRA CREDIT -- When it comes to VCEA...**

23. What are you most proud of so far?

24. What keeps you up at night, if anything?

25. What do you wish you understood better?

26. What do you wish we could change about VCE, if anything?

27. What else should we be asking ourselves?

**Submitted By:** \_\_\_\_\_ *(for internal/tracking purposes only)*