

VALLEY CLEAN ENERGY ALLIANCE

Staff Report - Item 9

TO: Community Advisory Committee

FROM: Mitch Sears, Interim General Manager
Jim Parks, Director of Customer Care and Marketing

SUBJECT: Program Concepts for VCE

DATE: July 25, 2019

RECOMMENDATION

Information item. No action requested.

OVERVIEW

The benefits that Valley Clean Energy provides include:

- Local control
- Sustainability
- Competitive rates
- Customer choice
- Investment in the community

This report partially addresses the “Investment in the Community” benefit. After a full year of operation and the establishment of an initial local program reserve (1% of net margin per adopted Board Reserve Policy – currently approximately \$70,000), staff believes VCE is in a position to begin considering potential programs that represent a part of our “investment in the community”. Note: the information in this report and staff presentation that will be provided at the CAC meeting on July 25th build on the Advisory Committee’s examination of potential funding sources for local programs that was presented by Committee member Springer.

BACKGROUND AND DISUCSSION

To date VCE has two initiatives that generally fall into the program category—1) the SACOG grant that will provide \$3.3 million in electric vehicle charging infrastructure and other transportation enhancements and 2) the dividend program that will provide credits to VCE customers. It should be noted that the dividend program also links to “Competitive rates”.

However, VCE does not have a specific set of VCE sponsored programs related to energy. As a starting point for the development of a set of early to mid-term local energy programs and building off preliminary concepts included in the 2017 SMUD Launch and Operational Services proposal, these programs could fall into several categories that generally match the description

of distributed energy resources, or DERs. The categories are:

1. Energy efficiency (including electrification)
2. Demand response
3. Renewables
4. Energy Storage
5. Electric Transportation

To initiate the process of identifying a set of early to mid-term local energy programs, Staff will be making a presentation to the CAC on the SMUD “Advanced Energy Solutions” concepts as well as an update of existing DER programs at CCAs and other utilities. This will give the CAC an idea of what is currently available and what program ideas could make sense for VCE. Staff will also provide several high-level concepts for consideration by the CAC that may provide a “jumping off” point for VCE’s efforts to provide energy investments in the Community.