TO: Valley Clean Energy Alliance Board of Directors
FROM: Mitch Sears, Interim General Manager, VCEA
Regina Espinoza, Sustainability Manager, Yolo County
Shawn Marshall, LEAN Energy US
SUBJECT: VCEA Implementation Update
DATE: August 31, 2017

RECOMMENDATION
Receive program administration updates and provide feedback and direction as needed.

BACKGROUND & DISCUSSION The following program implementation related topics are addressed in this report:

A. Implementation Plan - Process and Schedule
B. Community Advisory Committee – Proposed scope and report of first meeting

A. Implementation Plan - Process and Schedule
Pending vendor service direction from the Board, staff will be working with either SMUD or another technical and energy services consultant to prepare VCEA’s implementation plan. As previously discussed, much of the Implementation Plan is fairly standard at this point and can easily be tailored to VCEA’s needs. There are, however, several policy decisions to be considered by the Board including number of power products, targeted rate reductions if any, renewable energy and carbon free energy targets, customer phasing schedule and complimentary energy programs. All of this should also be considered in the context of current statutory requirements and a three-year operating budget which will help inform decisions related to reserves and allocation of any excess revenues.

In order to meet a June 1, 2018 launch deadline, VCEA’s implementation Plan must be adopted by the Board at its meeting in November; from there, the CPUC has up to 90 days to certify it. In order to meet the November goal, staff has already requested and received updated load data and we anticipate that we may need to schedule two Board meetings in October along with advisory committee meetings to provide their input through the process. Staff will follow up with Board and Advisory Committee members regarding October scheduling.
B. Community Advisory Committee – Proposed scope and report of first meeting

The VCEA Advisory Committee has met two times between the July 25, 2017 VCEA Board Meeting and the present. Per Board direction the Advisory Committee has held discussions regarding purpose and future identifiable action. As part of its original action establishing the Advisory Committee, The Board adopted the following general purpose statement to help guide the work of the Advisory Committee:

**Purpose:**
- Advise on VCEA’s general policy and operational objectives, including portfolio mix and rate setting.
- Assist VCEA staff with community outreach to and liaison with member communities.
- Provide a forum for community discussions on energy related issues and a wide variety of strategies to reduce carbon emissions.
- Assist VCEA Staff with monitoring legislative and regulatory activities related to CCE’s.

Based on the direction from the VCEA Board, the Advisory Committee has been tasked with drafting a charge for its Committee based on the adopted VCEA Mission, Committee purpose statement and program launch schedule. The Advisory Committee has reviewed the information as well as the CPUC Implementation Plan elements and has embraced the challenge of drafting the charge based on the original purpose and Implementation Plan elements. The Advisory Committee has also included in its charge some preliminary steps to meeting its purpose such as interfacing, evaluating and making recommendations to vendors, staff and your Board based on select issues that need to be addressed in a short and long-term timeframe. The Committee’s recommended draft charge will be included in the powerpoint presentation at the August 31, 2017 meeting.

Since the identification of the Advisory Committee purpose, an assigned subcommittee has been participating in the evaluation of responses to VCEA’s request for proposals for services related to the implementation of the program. This subcommittee has been very active and is made up of 4 members of the Advisory Committee representing 3 jurisdictions in VCEA. In addition, the Advisory Committee has decided to develop a draft VCEA Vision Statement for consideration by the Board and has established a subcommittee to do so in the coming month.

At the August 22, 2017 Advisory Committee meeting, it was discussed that the Advisory Committee would take an active role in collaborating with Circlepoint for the best possible outcome in outreach within all VCEA jurisdictions. The Advisory Committee also agreed to bring forth original ideas for consideration to staff and the Board as they saw would be beneficial to VCEA. At its first meeting, the Advisory Committee elected Gerry Braun to be Chair of the Committee and Christine Shewmaker to be Vice-Chair.